



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, September 27, 2016 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**
- p.3-5 VI. **MINUTES:** Motion to approve the Minutes of the August 23, 2016 Regular Board Meeting.
- 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 Action and Public Hearing items at the time they are considered by the Board.*
- VIII. **PRESENTATIONS:**
 - A. DIRECTORS REPORT
 - B. ATTORNEY'S REPORT
 - p.6-13 C. MANAGER'S REPORT
 - p.14-18 D. SUSTAINABLE GROUNDWATER PLANNING
 - p.19 E. CORRESPONDENCE
- IX. **ACTION ITEMS**
 - p. 20-33 A. **Tank Diving & Cleaning (Rea, Carr, Cole, Rancho Larios, Oak Ridge & Pinetree)**
Recommendation for board to review and approve contract in the amount of \$6,000.
 - p. 34-39 B. **Financial Reports for the Month of August 2016:** Revenue for August is \$111,741.81. Expenditures between August 16 and September 19, 2016 total \$95,832.36. These financials and monthly expenditures will be presented for discussion and approval
- X. **FUTURE MEETINGS & AGENDA ITEMS** - Next meeting – October 25, 2016
- XI. **ADJOURNMENT**

Next Res. # 2016-07

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
August 23, 2016**

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, August 23, 2016 at 7:00 p.m. at the District office located at 388 Blohm Ave, Aromas, California.

II. ROLL CALL:

President Leap, Vice-President Smith, Directors Dutra, Holman and Norton were present as well as General Manager Vicki Morris and Counsel Bob Bosso. Also in attendance was Paul Faurot, Director of PVWMA representing District "D".

III. PLEDGE OF ALLEGIANCE: President Norton 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 July 26, 2016 Regular Meeting were presented for acceptance and approval.

Director Holman moved to approve the meeting minutes. The motion was seconded by Director Norton and the minutes were approved unanimously.

VII. ORAL COMMUNICATION: Paul Faurot, PVWMA thanked the Board for welcoming him. He stated that he would like to improve communications between the two districts.

VIII. PRESENTATIONS

A. Director's Report

- There were no reports.

B. Attorney's Report:

- Counsel Bosso reported that he is still following numerous Proposition 218 cases involving water districts and it may be about six months before decisions are made. He also stated that a new study is convening on Special Districts by the Little Hoover Commission out of Stanford and he will keep us informed about the findings.

C. Manager's Report: Detailed report in agenda packet. Highlights include:

Operations:

- August 2016 production was almost 11 million gallons. Our revenue for July reflected the most recent rate increase and we are in a stable financial position.
- VFD work at Pleasant Acres Well is complete and is showing about three times the efficiency compared to what it was prior to the improvements. Gallons per minute

have also improved. Operators are running the well about four hours a day and monitoring it for more exact data.

- Lead and Copper testing was done in August. Annual Nitrate testing reported no detection.
- Two sheep have been purchased to control weeds at the solar arrays and other District property.
- There was a line break on the 4" AC pipe along the Seely Crossing on August 15th. Repairs were made hiring a backhoe the following day and by clamping the separation caused by oak roots. Service was not interrupted.
- More succulents have been taken from the demonstration garden. A motion camera has been installed.
- Director Holman asked that we call Monterey County Public works to install "No Parking" signs on the Blohm side of the Community Park because of safety concerns.

Staff

- A search for a new Customer Service Representative has begun to replace Maureen Cain, retiring in November.
- New Assistant General Manager, Mark Dias will begin September 6th.

Marshall Well

- Staff is gathering well data from other local owners. Granite Rock has shared their information.

Marshall Shop Building

- San Benito County is requiring a soils report for the proposed leach field. They are also requiring a Plan Review before the project can be started. GM Morris is trying to get accurate pricing estimates before moving forward with the project.

Basin Management Plan

- GM Morris has been meeting regularly with Brian Lockwood, PVWMA, and has also attended meetings of the Salinas Valley Basin GSA formation to grasp more knowledge of their process. She also met with the Rob Johnson, Deputy Manager of Monterey County Water Resources to discuss the management of the Monterey County PUMA, which we would likely manage.

D. Correspondence: Director Norton asked about the pipeline easement and location dispute on the Ballantree line.

IX. ACTION ITEMS

A. Financials: Revenue for July was \$99,803.74. Total assets are \$6.7 million. Total liabilities are \$1.979 million. The expenditures between July 21 and August 15, 2016 total \$75,529.43 and included the purchase on new tools, radio-read meters and the sheep. President Leap reviewed the expenditures.

Director Holman moved to accept the financials as presented and Director Norton

seconded. The financials were accepted unanimously.

X. **FUTURE MEETINGS & AGENDA ITEMS:** Next meeting will be September 27, 2016. Proposal for tank cleaning will be on the agenda.

XI. **ADJOURNMENT** - Pres. Leap adjourned the meeting at 8:05 PM.

Date: September 27, 2016

Read and approved by:

Board President, Jim Leap

Attest: _____
District Secretary

Aromas Water District General Manager's Report August 2016

PRODUCTION

Source	Production in Gallons	Average Daily Gal/Day	Days in Service
San Juan Well	5,094,250	164,331	31
Pleasant Acres Well	328,000	41,000	8
Carpenteria Well	4,873,000	168,035	29
Total Production	10,295,250	332,105	

ANNUAL PRODUCTION IN MILLIONS/GALLONS:

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	5.52	5.84	5.99	5.68	6.49	5.83	5.77	7.33	5.34	8.11	5.99	5.195
February	4.81	6.12	5.46	5.55	5.38	5.09	5.43	5.81	5.40	5.42	5.48	4.687
March	5.66	5.10	7.99	8.40	6.72	6.34	5.61	5.62	7.37	6.43	7.06	4.797
April	6.93	5.34	10.58	11.95	9.97	6.07	7.46	5.55	9.93	7.42	7.49	5.801
May	11.01	11.56	14.57	14.58	12.42	9.77	10.58	9.94	12.74	11.81	7.93	8.332
June	14.60	16.34	14.71	15.77	14.04	14.13	11.32	13.4	13.14	11.99	9.37	10.286
July	15.98	18.07	16.91	16.02	16.31	14.35	13.41	14.1	14.82	12.59	10.01	10.915
August	16.28	16.61	17.13	16.04	16.68	14.67	12.76	14.0	13.96	11.73	9.93	10.295
September	13.68	14.78	14.27	14.34	13.71	13.28	12.02	11.8	12.79	10.39	9.74	
October	12.35	12.48	10.69	12.99	9.98	10.54	8.90	10.69	11.22	9.34	8.02	
November	9.74	8.41	8.06	7.71	8.36	6.62	6.01	6.83	8.91	5.88	5.37	
December	6.70	6.74	7.20	6.35	6.84	5.68	6.88	5.10	7.81	4.86	4.88	
Totals MG	123.2	127.42	133.6	135.38	126.9	112.37	106.15	110.17	123.42	105.97	91.27	60.306
Total AcFt	378	391.1	410.0	415.4	389.4	344.8	325.7	338.05	378.7	325.16	280.05	185.04

OPERATIONS:

- There are 953 total meters, on 898 parcels
- Loss Production system wide has maintained below 6% for over eighteen+ months
- Carpenteria Well, San Juan Well and Pleasant Acres Well are operational
- Water Treatment Plant- Removing Mn & Fe, Lab results show-Mn not detected in finished water
- Lead & Copper water samples were recovered from 10 homes meeting certain criteria for potential of excessive levels. Lab results were all within acceptable range except one, this one has been re-sampled.
- Distribution testing for total Coliform- all samples Negative
- All Coliform, iron and manganese & monthly DWR reports were filed timely
- Backwashing WTP filters approximately every 5-7 +/- days, or 1.5 mg
- Monthly Generator 15 minute testing under load

MAINTENANCE:

- Major weed abatement, mowing, and hydrant clearing; purchased two sheep for trial option; they both met an untimely demise. Nighttime security pen is being investigated for future use.
- Preventative maintenance as needed, minimal flushing as needed
- Graffiti removal whenever it occurs, installation of security cameras
- Chlorine chemical pump maintenance & analyzer maintenance at all wells
- AWD continues to offer mulch to the community, located at our Carpenteria site
- Radio transmission difficulty RLS Tank and valve at west entrance, monitoring continued, considering cellular transmitting, rather than line of site.
- Completed the Pleasant Acres Well VFD & PG&E service upgrade & replacement. Efficiency is markedly improved, high frequency sound issues are eliminated & production is improved. Several months of new records will define improvements
- Carr Tank PLC failure required new analog card replacement, all under warranty.

STAFF DEVELOPMENT: Staff Zelmar, DeAlba, Dias and Morris attended the annual MBWWA training, vendor show and BBQ. Each earned 4 contact hours.

AGM Dias attended 4 hours of HR-ACWA-JPIA training at Scotts Valley WD on 9/20/16

STAFF & BOARD RECOGNITION:

Thank you to all the Board Directors and staff who helped with a positive AWD booth and parade on Aromas Day, 8/28

Louise Coombes' one year anniversary with AWD was on 9/21/16.

Staff welcomed new Assistant General Manager, Mark Dias, on 9/6/2016.

New Customer Service Representative, Ester Giron, will begin training on 9/26/2016

SDRMA-President's Special Acknowledgement Award- Five consecutive years with no Workers' Compensation claims

DROUGHT & CONSERVATION UPDATE:

Governor Brown declared California in a Drought State of Emergency on Jan. 17th 2014.

Last year, our customers made a voluntary 30% reduction in use over this same period in 2013.

In May, 2016, the Governor extended the emergency water conservation recommendations through the end of January 2017.

Water production for calendar year 2015 was 280af, considerably lower than it has been in over 10 years. The same trend has continued for the first eight months of 2016. AWD will continue to promote water efficiency and voluntary reduction in outdoor watering to two days per week.

AWD customers are commended for making considerable and significant strides in water conservation.

PROJECTS:

1. The construction of a 30ø x 50ø steel shop building at the Marshall site: The placement of the new shop and septic leach field will be on the far southeast side of the lot. GM Morris has discussed the building permitting requirements with San Benito County Planning Dept; Tri-County Fire Department will not require fire sprinklers for a tool, utility & vehicle storage building. GM had a site meeting with building contractor, Marcus Building Systems on 8/9/16; the recently supplied all inclusive estimate is \$295,928. (see attached)

2. Ad Hoc GSA committee of Directors Leap and Smith continue to gather data on 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. GM Morris discussed options for the PUMA portion of our Sphere within the Monterey County Water Resource Agency boundary; they are willing to work towards a mutual solution. Director Smith, and staff Dias and Morris attended the Salinas Valley Groundwater collaborative workgroup meetings on 9/8/16; they were most informative. Staff Goodman prepared boundary maps and APN lists of areas affected by our proposal of creating an AWD GSA. AGM Dias has begun discussions with PVWMA on steps and plans required to meet the 6/30/2017 deadline.

3. Rocks Road Bridge main relocation;

In 2011, San Benito County Public Works received partial funding from CalTrans to replace the one lane bridge with a two lane bridge over Pinacate Creek on Rocks Road. AWD has a 10ö transmission main that will require temporary re-routing and permanent relocating to accommodate the new larger bridge. The project has been on hold for many years and recently resurrected. AWD will be meeting with the new SBC Traffic Engineer, County officials and our engineer, Mike Freitas in October to discuss the progress and our obligations.

Vicki Morris
General Manager
September 21, 2016



Marcus Building Systems, Inc.

28 East Street · P.O. Box 314 · Hollister, CA 95024-0314
(831) 636-8138 · Fax (831) 636-8400 · Lic. No. 634997

Aromas Water District
79 Marshall Lane
Aromas, CA

Bid Scope Description

Marcus Building Systems, Inc. (Contractor) agrees to furnish the material, including sales tax (9.25%), freight to the jobsite, labor, equipment, workman's comp and liability insurance necessary to provide the following in accordance with the direction provided by the Aromas Water District (Owner), and hereby outlined by the following inclusions.

Inclusions: Proposal for 30'x 50'x 16' Pre-Engineered Building

- All Pre Engineered Metal Building Material as provided by CBC Steel Buildings, 1700 East Louise Avenue, Lathrop, CA 95330.
- Structural Design including engineered stamped calcs and drawings for Pre-Engineered Metal Building (only) as provided by CBC Steel Buildings.
- All design criteria, building data, design loads, sheeting, and accessories per attached Exhibits:
 - Exhibit A – CBC Specifications
 - Exhibit B – CBC Roof & Wall Panels
 - Exhibit C – Preliminary Building Plan
- Tax and Freight to the project location
- Labor and Equipment to off-load Steel Delivery.
- Labor and Equipment to Erect Building.
- Labor and material to install 3" Vinyl Reinforced blanket insulation in building roof and walls.
- Provide drafting and plan preparation necessary for San Benito County Special Plan Review.
- Labor and material to frame, insulate, drywall and texture the interior and exterior of one 8'x 8'x 9' bathroom.
- Labor and material to install bathroom door and bathroom accessories.
- Labor and material to install FRP on bathroom walls.
- Labor and material to install two 10'x 12' overhead roll doors with chain hoist operation.
- Labor and material to install sheet vinyl floor covering in new bathroom.
- Labor and material to paint the inside and outside of bathroom structure.
- Labor and material to install bathroom fan.
- Labor, material, and equipment to perform the following plumbing work:
 - Plumb waste water and vents for one toilet and one wall mount lav.
 - Provide one 20 gallon electric water heater on ceiling above bathroom. One water heater pan with drain to outside
 - Waste and water to be stubbed out of building. Continuation by others
 - Waters in type L hard copper tube waste in ABS
 - Interior trench and backfilling for sewer by A & N
 - Note: Plumber will provide one ADA toilet, one wall mount lav and faucet, one 20 gallon electric water heater and pan.
- Labor, material, and equipment to perform the following electrical work:
 - Provide and Install Electrical and Lighting Systems.
 - Provide and Install One 200 Amp Electrical Meter Main Panel with Distribution.
 - Provide and Install Twelve Convenience Outlets.
 - Provide and Install Ten LED Hi-Bay lighting Fixtures.
 - Provide and Install Lighting and Electrical for Standard Restroom.

Clarifications: Please review Exhibit A, B, & C for accuracy. No specific design loads were given at the time of bid. MBS takes no responsibility for their site specific accuracy. This price assumes that building erection will take place at the time of offloading. Any remobilizations are subject to additional costs. All pricing includes prevailing wage rates.

Exclusions:

- Building Permits and Fees
- Building Permit Drawings
- Special Plan Review and Fees
- Special Inspections
- Soils Reports ✓
- PG&E Fees and design
- Civil Engineering
- Foundation Engineering .
- Septic Engineering
- Site work, soil preparation and grading ✓
- Septic System
- Concrete Foundation
- Water Service to building
- Electrical Service to building -
- Fire Sprinklers and loading to support
- Structural Hangers and/or supports for any Mechanical, Electrical, and Plumbing equipment or material not included.
- Interior painting of columns, purlins, girders, or any other items beyond standard factory applied finishes
- Any interior improvements
- Any item or aspect not included in above inclusions.

Our quoted price is guaranteed for signed orders received by 10/21/16 and shipped and offloaded onsite by 2/10/17.

Total Price for Material per Bid Scope, Inclusions, and Exclusions: \$147,838.00

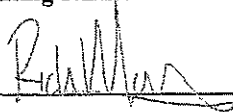
Payment schedule: Engineered Drawing Fee due upon completion of engineering; progress billing to be submitted through duration of work.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control.

This proposal is based on the Terms and Conditions of Marcus Building Systems, Inc. Construction Contract.

In the event that this project does not meet San Benito County Special Plan Review approval, owner will be obligated to pay contractor for accrued time and efforts only and will not be obligated to move forward with remaining balance of the contract.

Authorized Signature: _____



Acceptance of Bid Proposal – The above prices, specifications and conditions are satisfactory and hereby accepted. You are authorized to do the work as specified. Payment to be made as outlined above.

Signature: _____ Date: _____

Additional Items Required for the Project:

Clarification: All items below include budget pricing only. To become part of the project, firm pricing will be agreed upon only after required design, engineering, and/or specifications have been established.

- Building permit fees (owner cost): \$6,500.00
- Special plan review fees (owner cost): \$1,760.00
- Foundation Engineering (owner cost): \$2,500.00
- Septic Engineering (owner cost): \$2,500.00
- Septic Permit \$1,000.00
- Civil Engineering (owner cost): \$2,500.00
- Soils Report: \$4,000.00
- High Strength Bolt Inspection (owner cost): \$850.00
- PG&E Service & Engineering Fees (owner cost): \$15,000.00
- Grading / Building Pad: Clear, prepare, and compact pad as required by design. \$24,000.00
- Driveway Improvements: Install baserock to building as required by design. \$18,000.00
- Concrete Foundation and Apron: Install new reinforced 5" concrete slab with perimeter footings per design. \$33,600.00
- Septic System: Install new septic tank and leach lines per septic system design. \$24,000.00
- Electrical Underground: Install approximately 110 lf of underground electrical service per PG&E design. \$9,000.00
- Water Underground: Install approximately 60lf of underground water line from existing line to the proposed building. \$2,880.00

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6,500.00	+
1,760.00	+
2,500.00	+
2,500.00	+
1,000.00	+
2,500.00	+
4,000.00	+
850.00	+
15,000.00	+
24,000.00	+
18,000.00	+
33,600.00	+
24,000.00	+
9,000.00	+
2,880.00	+
148,090.00	*

148,090
 147,838

 \$ 295,928

September 16, 2016

Mr. Jim Leap
Board President
Aromas Water District
Post Office Box 388
Aromas, California 95004-0388

Re: President's Special Acknowledgement Award - Workers' Compensation Program

Dear Mr. Leap:

This letter and enclosed certificate are to formally acknowledge the dedicated efforts of the Aromas Water District's Governing Body, management and staff towards proactive loss prevention and workplace safety for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in the Workers' Compensation Program.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year. Your agency's efforts have resulted in no "paid" workers' compensation claims for the prior 5 consecutive program years including 2015-16. This is an outstanding accomplishment that serves as an example for all SDRMA members!

It is through the efforts of members such as Aromas Water District that SDRMA has been able to continue providing affordable workers' compensation coverage to over 433 public agencies throughout California. While 262 members or 61% in the workers' compensation program had no "paid" claims in program year 2015-16, 131 members or 30% had no paid claims for the prior 5 consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2015-16 earned 2 credit incentive points (CIPs) reducing their annual contribution amount and members with no "paid" claims for the prior 5 consecutive program years earned 3 additional bonus CIPs. Also, members without claims receive a lower "experience modification factor" (EMOD) which also reduces their annual contribution amount.

Included with this letter and certificate is your press release template so your agency may showcase this important accomplishment.

On behalf of the SDRMA Board of Directors and staff, it is my privilege to congratulate your Governing Body, management and staff for your commitment to proactive loss prevention and safety in the workplace.

Sincerely,
Special District Risk Management Authority



David Aranda, President
Board of Directors



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

President's Special Acknowledgement Award

THE PRESIDENT OF THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
HEREBY GIVES SPECIAL RECOGNITION TO

Aromas Water District

The President's Special Acknowledgement Award is to recognize members with no "paid" claims during the prior five consecutive program years in the Workers' Compensation Program. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during that same period. Congratulations on your excellent claims record!

David Aranda

David Aranda, SDRMA Board President

September 16, 2016

Date

Staff Report

TO: Board of Directors
FROM: Mark Dias, AGM
RE: Update- Sustainable Groundwater Management Act (SGMA) Planning
Date: Sept 27, 2016

SUMMARY

Staff has been actively engaging neighboring water agencies to assess the viability of options to form a Groundwater Sustainability Agency (GSA). The AWD boundaries straddle two counties, three water management agencies and three groundwater basins. Therefore a number of scenarios need further investigation.

Key questions remain regarding: the types of agreements needed with neighboring agencies; what new regulations AWD may need to enforce; whether AWD may need to assess new fees; commitments from neighboring agencies for assistance/resources; and the pros and cons of forming a GSA.

Beginning in October staff will begin providing more detailed monthly presentations. These will include draft tasks, timelines and milestones. Staff continues to meet with Ad Hoc GSA Committee members Leap and Smith and attend GSA meetings held by neighboring agencies. Most recently Director Smith, GM Morris and AGM Dias attended a workshop in Salinas sponsored by the Salinas Valley Groundwater group. AGM Dias met with PVWMA staff on Sept 19.

BACKGROUND AND DISCUSSION

- **Status of Neighboring GSA's**
 - PVWMA has exclusive rights to manage the basin. However their jurisdiction does not include the entire basin leaving a Potentially Unmanaged Area (PUMA). Monterey County interests are in the process of forming a new entity to serve as the GSA. It will be a new Joint Powers Authority. The draft structure is being proposed as an 11-member Board with representation from the County, Salinas, Salinas Valley cities, agriculture, small users and the public.
 - San Benito County Water District plans to form a GSA in January 2017. Similar to PVWMA and Monterey County, SBCWD does not want to manage the PUMA. **Exhibit A** also shows the PUMA within SBCWD's boundary.
- **PUMA.** As shown on **Exhibit A** the PUMA overlaps three neighboring agencies (PVWMA, San Benito County Water District and Monterey County). Having a PUMA in their basin would automatically place their basins in a "probationary" status. Documents from State Water Resources Control Board state this would trigger State intervention. Therefore all three agencies have recommended AWD form a GSA to cover the PUMA.
- **Islands.** A key question is how to legally manage the grey "islands" shown on the attached map. These islands are within the PUMA but **not** within AWD boundaries. However, SGMA guidance documents say that a GSA "cannot exceed its jurisdictional service area boundaries."
 - There are islands in both Monterey and San Benito counties. Staff is investigating if MOUs/MOAs with Monterey and San Benito Counties would be legally adequate to give AWD the authority to manage the islands even if they are outside of our service area boundaries.

- If MOUs/MOAs with neighboring Counties are feasible, staff will discuss whether AWD, or PVWMA is the most appropriate agency to manage the islands.
- **Mandated GSA responsibilities.** At a minimum GSAs **must** do the following by 2020
 - Prepare and implement a Groundwater Sustainability Plan
 - Maintain basin groundwater sustainability
 - Conduct public hearings regarding sustainability plan adoption or amendments
 - Submit annual reports
 - Periodic review of sustainability plan
 - Maintain list of interested parties

Based on staff-level discussions with PVWMA, it appears feasible that PVWMA would be the lead "reporting agency." PVWMA would complete the vast majority of work for these responsibilities. The final arrangements would be described in a "coordination agreement" between our two agencies. **See Exhibit B** for a diagram of this arrangement.

- **Discretionary GSA authorities.** Additionally GSAs can have the following "discretionary authorities" (after June of 2020):
 - Prepare and implement a Groundwater Sustainability Plan
 - Adopt rules, regulations, & ordinances
 - Conduct investigations of water rights
 - Require well registration/well permitting
 - Require well operators to measure & report extractions
 - Require reporting of diversions of surface water to storage
 - Acquire property and water rights
 - Reclaim water
 - Impose well spacing requirements
 - Regulate groundwater extractions, including limiting/prohibiting groundwater production
 - Impose fees and assessments
 - Undertake enforcement actions for noncompliance
 - Implement capital projects

It is not known which of these authorities AWD may have to exercise in the future. Staff is investigating the likelihood of having to use these authorities under different scenarios.

- **Advantages to AWD to form our own GSA.** Staff is investigating the pros and cons of forming a GSA.

UPCOMING STEPS

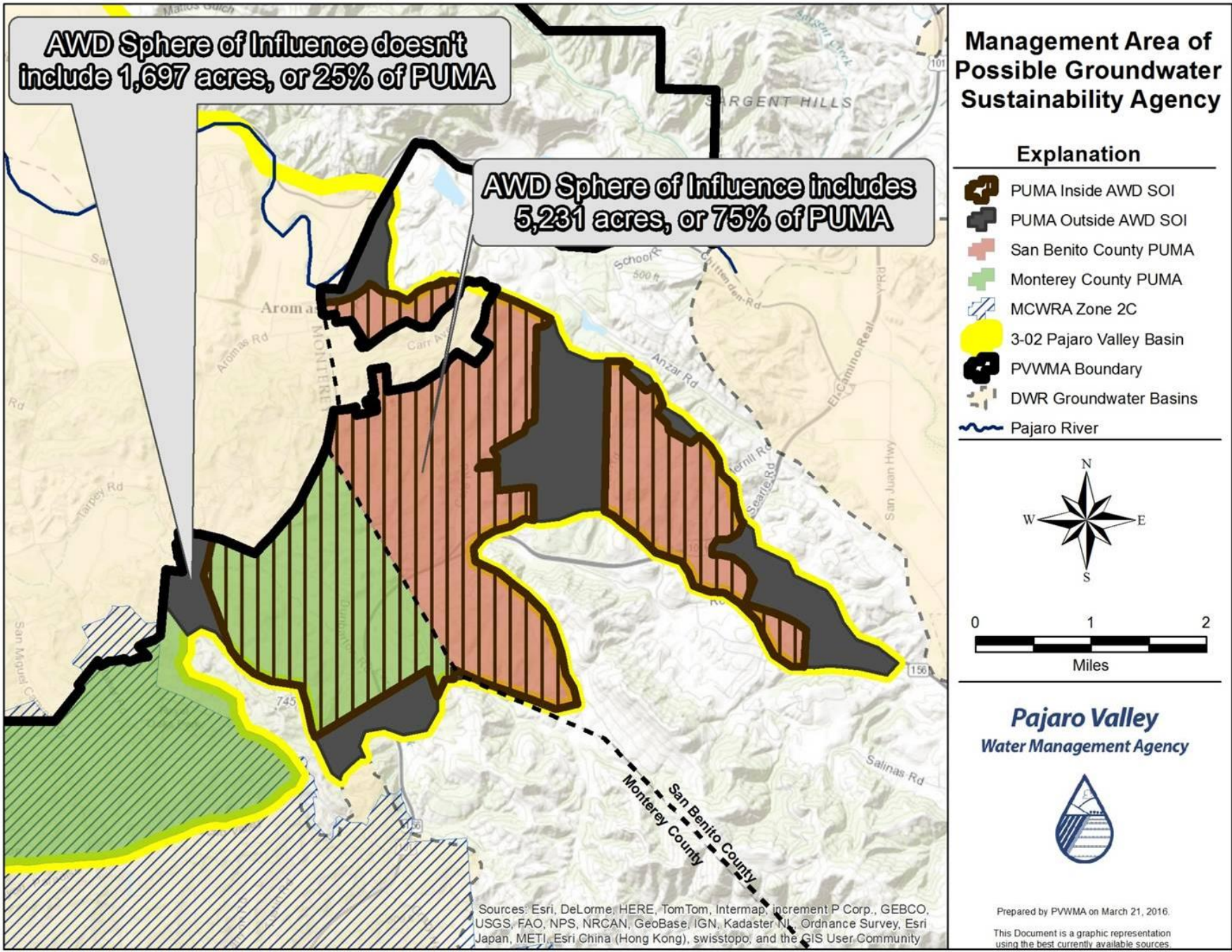
- Research the types and contents of needed agreements with neighboring agencies.
- Obtain guidance, as needed, from Counsel and DWR.
- Clearly describe AWD's options with specific tasks, milestones and timelines. This will include a no-nothing scenario to cover the full spectrum of options.
- Request guidance from AWD Board of Directors before proceeding with any GSA formation

KEY DEADLINES AND FUTURE BOARD DECISIONS

- The Board will need to hold a public hearing to authorize the submittal of a Formation Notice to the State. This must be in time to have the GSA **formed** by June 30, 2017. Therefore the Notice must be approved/submitted to the State no later than May 30, 2017. Additional lead time should be added for unknowns/contingencies.

- Advanced scheduling will be needed so the AWD, San Benito County and Monterey County Boards can each pre-approve the needed MOUs/MOAs.
- A "coordination agreement" between PVWMA and AWD would also need pre-approval by our respective Boards.

EXHIBIT A



Interagency Agreements (Article 8)

Interagency agreements are used to coordinate management actions and share data. There are two types of interagency agreements: Coordination Agreements, which are required, and Interbasin Agreements, which are optional.

Coordination Agreements

As illustrated in **Figure 6**, in cases where GSAs develop multiple GSPs within a basin, a single Coordination Agreement must be submitted with the GSPs to DWR. The Coordination Agreement must include the information necessary to show how multiple GSPs can achieve the sustainability goal of the basin. The specific requirements are in Section 357.4, and include, but are not limited to, the following:

- A point of contact with the DWR.
- The responsibility of each GSA, and procedures for exchange of information and resolving conflicts between GSAs.
- A description of how GSAs utilized the same data and methodologies for assumptions in support of GSP development, including groundwater elevation data, a coordinated water budget, and sustainable yield.
- A description of how the GSPs implemented together satisfy the SGMA.
- The procedures for submittal of GSPs, GSP amendments, supporting information, monitoring data, and procedures for annual reporting and periodic evaluations.
- A description of a coordinated data management system.
- The identification of adjudicated areas within the basin, and local agencies that developed an Alternative Plan.

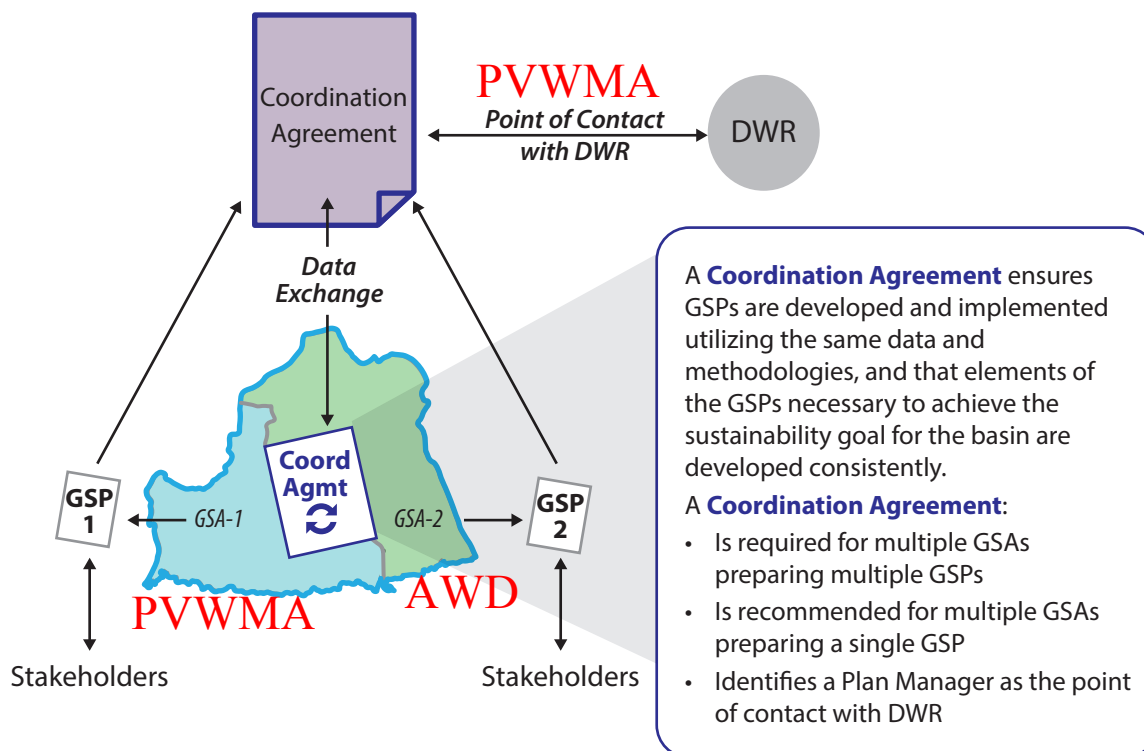


Figure 6. Coordination Agreements

CORRESPONDENCE LIST 8/11/2016 -9/21/2016

Date	Type	To	From	Subject
8/11/16	M	V.Morris, AWD	SWRCB	Water Treatment Operator I renewal through 2019
8/15/16	E	M. Krausie, SBC Building Planner	V. Morris, AWD	Shop Building
8/16/16	E	DWR, Drinking Water Program	V. Morris, AWD	TTHM/HAA5 Report Disinfection Byproducts Compliance
8/16/16	E	DWR, Drinking Water Program	V. Morris, AWD	Monthly Coliform Monitoring 8477
8/18/16	E	CalPERS D.Orlauski	V. Morris, AWD	Recap 8/17 meeting re 457 SIP
8/19/16	E	Directors, bcc:10 local leaders	V. Morris, AWD	CSR-Employment Opportunity
8/19/16	E	Potable Divers, Inc & 5 addl. diving co.	V. Morris, AWD	Request for Proposals on tank cleaning
8/22/16	M	K. Lemmon	V. Morris, AWD	Via Del Sol, cost to connect to water
8/22/16	E	R.Ortiz, Cal Cad	V. Morris, AWD	Cancel mtg
8/23/16	E	V. Morris, AWD	C. Meusel, PVWMA	Aimee Mdws well depth to water
8/24/16	E	S. Novack, SBCWD	V. Morris, AWD	Thank you for Aromas Day Conservation coloring books
8/24/16	E	V. Morris, AWD	S. Novack, SBCWD	2050 Chittenden water service-no Warranty Extension Oakridge electrical
8/24/16	E	MPE & TESCO	V. Morris, AWD	Thank you for pruning AWD trees
8/25/16	E	R. Smith, Director	V. Morris, AWD	90 day extension to 12/1/16 on warranty
8/25/16	M	V. Morris, AWD	TESCO Controls, Inc	Possibility to use AWD apt. as rest facility
8/31/16	E	V. Morris, AWD	D. Thompson, SBC Sheriff	Invitation to Environmental Breakfast 10/27/16
9/6/16	E	AWD	Mark Stone, District Assembly member	Status-Survey Pipeline and Property 1930 San Juan Rd.
9/9/16	E	Ken Weatherly, Engineer	V. Morris, AWD	Bulk supply of water for Highway 129 project
9/9/16	E	V. Morris, AWD	Petros Demos, Dept. of Transp.	Status on bid proposal
9/14/16	E	R. Marcus, Marcus Building Systems	V. Morris, AWD	2015 Govt. Compensation Report
9/14/16	E	C. Grambusch, State Controller's Office	V. Morris, AWD	August-Fe & Mn Rpt
9/14/16	E	Dept. of Water Resources	V. Morris, AWD	Vendor/sales, Public Records Request
9/15/16	E	N. Weeden, SmartProcure	V. Morris, AWD	Presidents Special Award, 5 years w/ no WC claims
9/16/16	M	J. Leap, Director AWD	SDRMA	Fund balances CFD 98-1 & AD 13-01 as of 6/30/16
9/20/16	E	V. Morris, AWD	D. Baugh, NBS	Rocks Road Bridge pipeline relocation meeting
9/20/16	E	A.Botelho, SBC Supervisor & PWorks	V. Morris, AWD	Bid Proposal for Marshall shop
9/21/16	E	Rich Marcus, MBS	V. Morris, AWD	Boundary map info
8/11/16	E	M. Dias, AWD	PVWMA	Bridge Preventive Maintenance Program Project Plans
8/11/16	M	AWD	Monterey Co Resource Mgmt	Biennial Notice, Conflict of Interest Code
9/21/16	E	G. Borkowski, Monterey Co	L. Goodman, AWD	

AROMAS WATER DISTRICT

Staff Report

To: Board of Directors
RE: **Item IX.A. Rea, Carr, Cole, Rancho Larios, Oak Ridge & Pinetree Tank Diving & Cleaning**
Date: 9/27/2016

History:

DWR recommends this internal inspection and cleaning occur every three years. History of cleaning has varied considerably:

2006 Inland Marine Company \$8,974 for five tanks

2009 Liquid Engineering charged \$3,570 for three tanks (Rea and Carr were nearly new, so did not require cleaning).

2013 Potable Divers, Inc., a Utah company, came highly recommended from several other local agencies. They did an excellent job on five tanks for \$4,600.

Five other bids were solicited in August 2016 for all six tanks; the other quotes varied from \$9,886 to \$19,850.

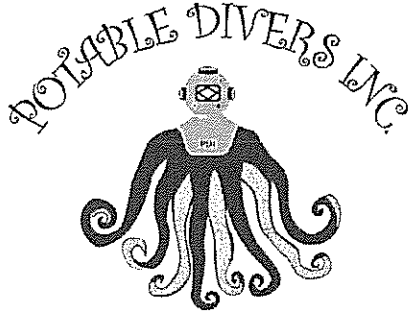
Current Proposal:

This recommended bid from Potable Divers, Inc includes the inspection and sediment removal for the six large storage tanks: Cole, Rancho Larios, Rea, Carr, Oak Ridge and Pinetree Tank for \$6,000. The company performs this with the tanks full, disinfected divers and without interruption of service; they dive, video and provide DVD discs and narrative summary of findings. Any repairs necessary will be assessed and charged separately at \$280 per hour upon GM approval. Prevailing wage determinations meet the requirements of the California Dept. of Industrial Relations. Positive references were obtained from several local cities: Morgan Hill and City of Gilroy.

Recommendation:

Approve the contract with Potable Divers, Inc. in the amount of \$6,000 for diving inspection, cleaning and written assessment for all six tanks above.

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



Proposal to Inspect and Clean Water Storage Reservoirs

AROMAS WATER DISTRICT

Submitted To:

Vicki Morris
Aromas Water District
PO Box 388
Aromas, CA 95004

Office Phone: (831) 726-3155
admin@aromaswaterdistrict.org

Submitted By:

POTABLE DIVERS, INC.
DAVID HARVEY OPERATIONS MANAGER
PO Box 474
Vernal, Utah 84078

Office Phone: (866) 789-3483
Office Fax: (866) 913-4905
E-mail: david@potabledivers.com

David Harvey, Operations Manager

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1.0 LETTER OF TRANSMITTAL



Potable Divers Inc
PO Box 474
Vernal, UT 84078
(866)-789-3483

Aromas Water District
Vicki Morris

Enclosed is our proposal for providing professional Underwater Services for Aromas WD.

We anticipate the inspection and cleaning of the six tanks will take 2, 8 hour days. Our earliest starting date is late Sept 2016 and can be adjusted according to your needs. Our dive teams consist of a minimum three persons, and depending on the size and lengths of projects, five to six man teams are available.

Our reputation precedes us in accurately estimating the time, resources and funds needed to complete a job. We take pride in the fact that all of our clients know we will complete the job on time and within a fixed budget.

With several dive teams located in the western states, and a dive team dedicated only to emergency responses we can be anywhere in the 12 western states in 24 hours or less.

PDI complies with all AWWA, and OSHA standards and requirements. We are insured, licensed, and bonded, and will comply with the insurance and indemnity terms without exception.

The combined staff has more than 35 years of experience, in the last year alone Potable Divers has serviced over 100 different clients ranging from Colorado to California, projects consisting of potable water reservoir cleaning, inspection, repair, cathodic protection installation and maintenance, dredging river intakes, inspection and rehabilitation of those intakes, dam gate, valve and stem retrofitting, dam trash rack removal and cleaning and general inspection, sediment removal and disposal in pipelines, vessels, and water tanks. With experienced office and diving staff Potable Divers is available 24/7, with a dive team dedicated only to emergency response we can be anywhere in the twelve western states within 24 hours, or less.

All divers are ACDE certified having graduated from an accredited school with a minimum of 700 hours of training, in addition to first aid, CPR, oxygen administration. Divers are certified in NACE and ASNT NDT, and with the American Concrete Institute. Divers are required to have these certifications with them at all times while on the job site. All our services are provided with unbroken color video, color photos, and uninterrupted voice communications. We offer our clients the ability and convenience of leaving their facilities on line, and in full service without interruption, while we clean the floor, walls, support columns and appurtenances.

David Harvey President

2.0 PROCEDURES FOR PERFORMING SERVICES

2.1 METHOD OF APPROACH

Scope of Work:

The inspection of each tank will include the extent of coating and materials deterioration, area by area within each structure. The principle areas of consideration are the roof, the exterior wall and appurtenances, the interior underside of the roof and supporting columns and the non-immersed areas of the interior wall and appurtenances. To perform a complete inspection of the floor, cleaning of the sediment accumulation up to 1" in depth from the tank floor is highly recommended. Video documentation of the floor will be obtained prior to cleaning, which will indicate the amount of silt and sediment present. During the time of inspection, Water personnel shall raise and maintain water level to near overflow. This allows the divers headroom, yet enables easy access to document the interior roof, columns, etc. Interior inspection, both over and underwater, will be conducted to determine coating condition of the tanks' interior walls, roof beams, columns, ladder, interior coating, depth monitoring equipment, cathodic protection equipment, etc.

Tank interior air sampling shall be performed and PDI confined space entry permit(s) will be completed prior to diver entry to the tank. Diver(s) shall be decontaminated per ANSI/AWWA C652-02 prior to entry.

A hi-resolution color video camera will be attached to the divers helmet and monitored at the surface dive station by the dive supervisor and, if desired, by representatives of the Water company. Direct communications with the diver will be maintained at all times.

Potable Divers Inc will offer the color still-photographs and video. Accordingly, information will be documented using a separate color DVD. However, CD, or VHS format are available at the Clients' option.

A typed report will be generated on the team's findings referencing video related inspection information to location diagrams and an inspection overview. The report will include the existing condition of the interior and exterior of each reservoir and provide recommendations for repairs, if necessary and an evaluation of ongoing maintenance needs.

Safety Program:

Included for your review is a very brief summary of our safety policies and practices manual, this is due to the size and volume of the 300 plus page manual. A complete manual is available at each job site for the clients review.

The Policy of Potable Divers Inc, herein after called the "Company", is to maintain the highest standards for the Safety and Health of all the Company employees and to conduct all activities with appropriate safeguards against exposure of the general public to risks against their safety and health. In order to meet this criterion the Company provides and maintains safe and healthy working conditions, equipment, and safe systems of work for all its employees, and to provide such information, training, and supervision, as they need for this purpose.

The Company accepts its obligations to seek to reduce the incidence of accidents, dangerous occurrences and hazards to the safety and health of its employees and other people who may be affected by our activities.

The Company requires that all employees shall regard safe working as a prime objective and take all possible steps to achieve it. Safety is the condition for the protection of life, property, and/or equipment against failure, breakage, or accidental loss. To aid in achieving this objective, every person involved must realize the potential consequences of accidents and comply fully with the Company Safety Procedures and applicable legislation.

In putting this Safety Policy into practice, the Safety Group is authorized to require the cessation of work where they deem Safety to have been compromised.

Potable Divers Inc is totally committed to SAFETY; it is the primary priority of the Company and shall not be compromised. The management and staff of the Company have adopted a "multi-faceted approach" to safety management in order to provide and maintain a safe and healthy working environment on all operations, while ensuring the objectives of the operation are achieved efficiently and with a minimum of risk to personnel.

In order to implement these goals, various policies, procedures, and guidance are promulgated in Company manuals. It is the intent that the Diving Operations Manuals will provide Codes of Practice for all Potable Divers Inc diving operations and it is a mandatory requirement that all personnel involved with diving operations familiarize themselves with the instructions contained therein.

Where National or Local Government legislation exists applicable to diving operations, it is intended that the procedures and practices quoted in the Diving Operations Manual will take precedence to the Government legislation, only in circumstances where the company policy is more stringent.

The wide scope of diving operations and variety of equipment used inevitably means those specific instructions for every situation and circumstance is not possible. These instructions, however, form the basis from which every operation will develop its individual procedures applicable to that operation.

Supervisors are directly responsible for the implementation of these policies and are to ensure that no unjustified deviations occur.

All personnel working on Potable Divers Inc diving operations will, in addition to any statutory obligation, comply with these policies except where authorized dispensation has been given.

No person may willfully, or without reasonable cause, do anything liable to endanger the safety of themselves, other personnel, plant, or equipment.

Diving is a potentially hazardous occupation, which requires constant alertness, discipline, and dedication to ensure the safety of all concerned.

[THINK SAFE] [WORK SAFE] [BE SAFE]

Any persons discovering a hazard or equipment malfunction at their work place must report the fact immediately to their supervisor, who will report it to the Safety Department if necessary.

2.2 DOCUMENTATION OF STORAGE TANKS, PROPERTY, AND CATHODIC PROTECTION

All findings found are documented before, after, and during cleaning and inspection on the video report as well as still photos. Items to be documented will be any area of concern, corrosion, holidays, cracking, blistering, pitting, inconsistency, all tank/reservoir plumbing, fittings, joints, seams, columns, panels, interior coating, floor plates/bases and so forth. A video in a format chosen by the client such as DVD, VHS, SVCD, CD, will be provided as part of the report along with still photos, and a computer generated report of all findings.

Video and audio will be live while the diver is in the water this is for the divers' safety as well as the clients' convenience.

Video camera is mounted to the divers' helmet, to provide uninterrupted video for the topside personnel. The video camera has high resolution and fixed focus technology with lighting. Inspection will begin at the 12:00 o'clock position and will proceed with the inspection in a clockwise manner.

3.0 EQUIPMENT

3.1 VACUUM-CLEANING HEAD

For the last few years Potable Divers Inc. has put a lot of time and research into our underwater vacuum system, saving our clients more time, water, and money. Our system being made of glass gives us several unique capabilities, glass can be decontaminated more efficiently than a porous metal, glass also allows our clients and our divers to observe both inside and outside the vacuum system, thus assuring the floor is completely cleaned during the "scrubbing" process with the brush. The "scrubbing" process is the most critical part of the cleaning, as experience has proven the vacuum system must be able to provide adequate power for the scrubbing process. Suction driven and in some cases motor driven vacuum heads do not provide adequate power when introduced to heavier sediments such as mud, sand, or clay. Even small amounts of silt and small debris (such as rocks) can cause the brush to slow down not providing the vigorous scrubbing needed to remove the bacteria bio film that lives under the sediment. Potable Divers' proprietary vacuum has the capability to be controlled by the diver and/or top side personnel to increase the power of the vacuum-cleaning head. To make sure the brushing is adequate, it is observed through the glass housing by our divers as well as our clients, and can be adjusted accordingly. The brush can be controlled to revolve from 50 revolutions per minute to 5000 revolutions per minute. The proprietary vacuum system was designed to create no turbidity, as all sediment is enclosed in the glass housing and removed with high power suction as it is vigorously brushed.

3.2 DIVERS EQUIPMENT

1. All equipment and clothing used is dedicated to potable water.
 - A. Equipment and clothing used is stored in a manner that prevents both chemical and bacteriological contamination.
 - B. Only dry diving helmets will be used.
 - C. Only vulcanized rubber dry suits will be used, free from tears, scrapes, and un-repaired areas of other imperfections that may impair the integrity of the suit. Dry suits shall be variable volume with push button air inflation and shall have automatic over-inflation/exhaust valve.
 - D. Only surface supplied air equipment shall be used, with a secondary bottle back up with 8 hour minimum storage capacity. Accompanied by a diver carried back up bottle.

2. Disinfection of all Equipment
 - A. All equipment used will be disinfected using a minimum of 200ppm+ Chlorine immediately prior to entering system
 - B. Method of equipment disinfection will be spraying with and/or scrubbing disinfection solution.
 - C. The disinfection solution shall have a minimum of 200mg/L free available chlorine. The strength of the disinfectant solution shall be verified with a HACH model CN21P 10-200 mg/L Chlorine test kit.

3. Post Dive Procedure Disinfection
After all personnel and equipment have been removed from the water storage tank the dive team shall test the water for total chlorine content utilizing a HACH chlorine test kit to determine the post dive total chlorine level. These finding will be reported to the Contract Liaison.

3.3 VIDEO AND VOICE COMMUNICATION EQUIPMENT

1. Communications
 - A. Communications between divers and tender shall be by full time four way conference hardwired systems with two way push to talk hardwire system as a backup.
Never will a push to talk be used as a primary communications system.

2. Video Recorded on DVD HDD
 - A. Uninterrupted video will ensure the quality of the water and cleaning procedure is satisfactory.
 - B. Helmet mounted video Cameras with adequate lighting have infinite focus as to show the entire view of the tank as to make sure all areas are cleaned.
 - C. Video is high resolution color video with real time imprint and time log so areas of concern are easily identified.
 - D. Video is narrated live by divers, on-site support personnel, or by client personnel at time video is recorded.
 - E. Still color photos will have time stamp on them as to refer to the location on the video.

3. Dive Hat

- A. Only on demand breathing hats mated to the dry suit with positive pressure will be used. This is to reduce background noise caused from free flow hats and to ensure diver safety.
- B. Only surface supplied air equipment shall be used, with bottle back up with an 8 hour minimum storage capacity.

4.0 REPAIR, UNDERWATER COATING PROCEDURES AND MATERIALS

Potable Divers Underwater coating procedures are performed in accordance with SSPC-SP-1 being wire brushed with a pneumatic die grinder down to white metal. Special consideration for underwater environments and the surrounding intact coating shall be feathered and abraded to provide an anchor profile for the epoxy. The epoxy is applied in accordance with the manufactures specifications being applied by brush and or roller techniques at 8-10 mils thick.

Epoxy Specifications

AquataPoxy™ A-6 and AquataPoxy A-6 Thick are solvent-free, 100% solids, corrosion resistant epoxy coatings that can be applied to dry or wet surfaces. Formulated for broad range corrosion protection as well as certified safe for potable water (NSF/ANSI Std. 61) NSF: AquataPoxy A-6 and A-6 Thick are certified to the requirements of NSF/ANSI Standard 61-Drinking Water System Components.

USDA: AquataPoxy A-6 and A-6 Thick are acceptable as coatings for application to surfaces where there is a possibility of incidental food contact.

AWWA: AquataPoxy A-6 and A-6 Thick meet the physical and performance requirements of ANSI/AWWA C 210-92, "Liquid- Epoxy Coating Systems for the Interior and Exterior of Steel Water Pipelines".

Repair of Concrete structures

A Hydro-Active grout (hydrophobic polyurethane) is injected into cracks and joints, subject to movement. When the grout comes in contact with water it forms a flexible gasket or plug made of a closed cell foam that is unaffected by corrosive environments. Being NSF 61 approved it has many advantages in drinking water tanks.

Contains no volatile solvents

Free foam expansion up to 10 times its liquid volume

Single Component

Low viscosity permits injection into narrow to hair line cracks

Excellent elongation creates tight seal in moving cracks

5.0 SIMILAR SERVICES AND OTHER GOVERNMENT AGENCIES

- a. Central Coast Water Authority
Mr. John Stangle
805-688-2292
Sheldon, CA
Last Service 2010-2015
- b. City of Newport Beach
Mr. Casey Parks
949-718-3422
Newport Beach CA
Last Service 2011-2015
- c. Lincoln Ave Water Co.
Mr. Jack Harns
626-437-4233
Altadena CA
Last Service 2008, 2014
- d. Board of Water Works of Pueblo CO
Mr. John Norton
719-584-0201
Pueblo CO
Last Service 2005-2014
- e. City of Gilroy
Mr. Dan Aldridge
408-846-0271
Gilroy CA
Last Service 2010-2015
- f. Groveland Community Services Dist
Mr. John Sterling
209-962-7161
Groveland, CA
Last Service 2006-2016
- g. City of Morgan Hill
Mr. Tom Neff
408-776-7333
Morgan Hill CA
Last Service 2007-2016
- h. City of Yuba City , CA
Mr. John Westhouse
530-822-4637
Yuba City CA
Last Service 2005-2016
- i. City of Springville
Mr. Jake Nostrom
801-830-5027
Springville UT
Last Service 2008-2015
- j. Maywood Mutual Water CO
Mr. Sergio Palos
323-560-2439
Huntington Park CA
Last Service 2010
- k. Eldora Mountain, CO
Mr. Randy Nequist
303-258-9001
Nederland CO
Last Service 2007-2012
- l. Water Solutions Inc
Mr. Pat Armour
970-262-0217
Silverthorne CO
Last Service 2009-2016
- m. Glenwood Springs, CO
Mr. Dean Norvell (norvell construction)
719-550-1311
Glenwood Springs CO
Last Service 2009-2011
- n. Uintah Highlands, UT
Mr. Daniel Lawrence
801-476-0945
Ogden UT
Last Service 2005-2012

6.0 Staffing Plan

In accordance with Federal OSHA regulations, Potable Divers Inc. utilizes a 3-man dive team to conduct all diving operations. The 3-man team consists of a Dive supervisor, lead diver, and a tender/diver, all in current standing with the ADC. The combined staff has more than 35 years of experience, in the last year alone Potable Divers has serviced over 100 different clients ranging from Colorado to California, projects consisting of potable water reservoir cleaning, inspection, repair, cathodic protection installation and maintenance, dredging river intakes, inspection and rehabilitation of those intakes, dam gate, valve and stem retrofitting, dam trash rack removal and cleaning and general inspection, sediment removal and disposal in pipelines, vessels, and water tanks. With experienced office and diving staff Potable Divers is available 24/7, with a dive team dedicated only to emergency response we can be anywhere in the twelve western states within 24 hours, or less.

All divers are ACDE certified having graduated from an accredited school with a minimum of 700 hours of training, in addition to first aid, CPR, oxygen administration. Divers are certified in NACE and ASNT NDT, and with the American Concrete Institute. Divers are required to have these certifications with them at all times while on the job site. All our services are provided with unbroken color video, color photos, and uninterrupted voice communications. We offer our clients the ability and convenience of leaving their facilities on line, and in full service without interruption, while we clean the floor, walls, support columns and appurtenances.

Potable Divers will use no Sub Contractors for this work.

The following three man Dive team will be assigned to this project.

David Harvey	Project Manager / Diving Supervisor 10 Years specifically in Potable Water Services ASNT, NDT, Industrial Coatings Consultant, Certs, Etc..
Andy Johnson	Lead Diver 3 years as lead diver for Potable Divers Inc ASNT, NACE, NDT, American Concrete Institution, Certs, Etc..
Ivan Syevens	Diver / Trainer 6 Years with Potable Divers as an employee training Officer Army Corr of Engineers Inspector, ASNT, NDT, Certs, Etc..



PoBox 474

Vernal, UT 84078

Toll Free (866)-789-DIVE

(602) 920-9438

www.potabledivers.com

e-mail pdi@potabledivers.com

District Name Aromas Water District

Phone: 831-726-3155

Address 1 Vicki Morris

Address 2 PO Box 388

Address 3 Aromas, CA 95004

Date 8/21/2016

The following is our firm quote and specifies our conditions of services, under prevailing wage determinations of the State of California DIR.

Our quote is based on the information you provided and the following information:

Reservoir	Type	Dia or LxW	Hgt. Feet		Surface area (S.F)		Price for Cleaning and Inspection	
-----------	------	------------	-----------	--	--------------------	--	-----------------------------------	--

Pinetree	Steel	39 FT	24 FT		1193		\$1000	
Rea	Steel	39 FT	24 FT		1193		\$1000	
Carr	Steel	39 FT	24 FT		1193		\$1000	
Cole	Steel	39 FT	24 FT		1193		\$1000	
Rancho Larios	Steel	47 FT	18 FT		1734		\$1000	
Oakridge	Steel	29 FT	22 FT		660		\$1000	

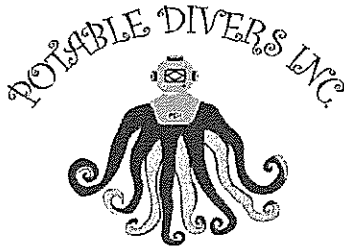
Total **\$6000**

1. Cleaning service includes removal of all sediment up to two inches deep. Calculated as an average depth over the reservoir floor. Additional Sediment is charged at \$40 Per cubic yard
2. First hour of repairs with one tube of epoxy included. More than one hour of Repairs are done on a basis of \$200 per hour plus \$20 per tube of epoxy. Repairs are done only with your authorization and are guaranteed for 1 year
3. Mobilization and demobilization is included in the cost.
4. This quote is valid on the tank(s) listed above for 90 days. Once quote is signed the work shall be accomplished at a mutually accepted date within one year.
5. PDI complies with all AWWA and OSHA standards and requirements. Insured, Licensed, and Bonded.
6. All cleaning and inspections are done with high quality color camera and sound, recorded on dvd, vcd, or svcd, along with full computer generated reports with digital photos.

Proposal Acceptance

Signature Required _____

PO Number _____



QUOTE INSTRUCTION

1. All information provided to us is correct. Reservoirs are accessible by truck pulling a 16 foot trailer. Entry hatches are a minimum of 22" in diameter or width.
2. During cleaning and inspections reservoirs are to be kept at or near full capacity.
3. Removed water and materials will be the responsibility of the district unless otherwise specified in quote.
4. Cleaning service includes removal of accumulated bottom sediments. Materials other than normal sediments (wood, metal, concrete, etc.) are removed at \$280 per hour, with the first hour at no charge.
5. Quotes for cleaning assume that the sediment is no more than indicated above in any of the tanks. If there is more sediment the price is adjusted by a factor of \$35 per cubic yard in excess over the original estimate, unless otherwise quoted.
6. Surfaces out of the water will not be cleaned. All submerged horizontal surfaces and berms will be cleaned. Other surfaces must be specified by the district (such as walls) at the time of quote or estimated by on site personnel at time of service.
7. If incorrect information inhibits our ability to accomplish the specified work, we will notify you of the problem and reserve the right to add to the quote for time lost and or additional time it takes to complete the job. This applies only to problems of your responsibility and not to our own equipment or ability to complete the job.
8. Laboratory analysis of water, coating, or debris samples is the responsibility of the district unless specified earlier.
9. Filtration or dechlorination are additional charges (if needed or wanted by clients) for cost of materials. Filtration is charged at \$150 for each 30 foot (L) by 5 foot (D) filter bag. Dechlorination is a flat rate of \$30 per tank.

All disinfection, cleaning and training procedures are in accordance with AWWA and OSHA standards.

PDI is licensed bonded and insured.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/30/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Leavitt Group of Vernal 205 North Vernal Avenue Vernal UT 84078		CONTACT NAME: CL Central PHONE (A/C, No, Ext): 866.298.2887 E-MAIL ADDRESS: clcvernal@leavitt.com FAX (A/C, No): 866.688.5709
INSURED Potable Divers, Inc PO Box 474 Vernal UT 84078		INSURER(S) AFFORDING COVERAGE INSURER A: Essex Insurance Company NAIC # 39020 INSURER B: United Financial Casualty Co 11770 INSURER C: Worker's Comp Fund of Utah 010033 INSURER D: State Compensation Fund INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: CL1632202329 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY			3EE0413	2/17/2016	2/17/2017	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						MED EXP (Any one person) \$ 5,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						PERSONAL & ADV INJURY \$ 1,000,000
	OTHER:						GENERAL AGGREGATE \$ 2,000,000
B	AUTOMOBILE LIABILITY			01410187-2	3/7/2016	3/7/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS						BODILY INJURY (Per accident) \$
	UMBRELLA LIAB						PROPERTY DAMAGE (Per accident) \$
	EXCESS LIAB						Multi policy credit \$
	DED RETENTION S						EACH OCCURRENCE \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			2490036	2/2/2016	2/2/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N					E.I. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/> N/A					E.I. DISEASE - EA EMPLOYEE \$ 1,000,000
D	California Work Comp			9158205-2016	5/04/2016	5/04/2017	E.I. DISEASE - POLICY LIMIT \$ 1,000,000
							EL EACH ACCIDENT 1,000,000
							EL DISEASE - EACH 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER admin@aromaswaterdistrict. Aromas Water District Attn: Vicki Morris PO Box 388 Aromas, CA 95004	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE D zcTrammell/DITRAM
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Aromas Water District
 Balance Sheet Prev Year Comparison
 As of August 31, 2016

	Aug 31, 16	Aug 31, 15
ASSETS		
Current Assets		
Checking/Savings		
UB Checking	139,665.60	90,815.33
Petty Cash	100.00	100.00
UB Bk Money Market xxxx7853	113,026.60	135,494.36
LAIF-State of Ca xx-05	778,870.81	775,212.18
Total Checking/Savings	1,031,663.01	1,001,621.87
Accounts Receivable		
1200 · Accounts Receivable - Other	0.00	2,690.26
Total Accounts Receivable	0.00	2,690.26
Other Current Assets		
Prepaid Insurance	9,500.31	22,571.68
128 · Inventory	25,664.96	25,665.96
1200.1 · Accounts Receivable--UBM...	126,599.07	102,191.34
1201.9 · Less Allowance for doubtfu...	-500.00	-500.00
Total Other Current Assets	161,264.34	149,928.98
Total Current Assets	1,192,927.35	1,154,241.11
Fixed Assets		
1900 · Water System	8,745,124.14	8,700,913.84
1910 · Construction in Progress	75,046.09	25,644.11
1915 · Office Building & Improvements	387,260.80	387,260.80
1970 · Office Equipment & Fixtures	93,467.05	93,467.05
1980 · District Vehicles	74,492.43	74,492.43
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	-4,132,374.75	-4,131,374.75
Total Fixed Assets	5,574,211.54	5,481,599.26
Other Assets		
Deferred Outflow of Resources	21,836.00	21,836.00
LoanBrokerageFees	53,000.00	53,000.00
Accumulated Amortiz-loan fees	-38,125.00	-38,125.00
Deposits		
ACWA Deposit	2,080.80	2,184.84
Total Deposits	2,080.80	2,184.84
Total Other Assets	38,791.80	38,895.84
TOTAL ASSETS	6,805,930.69	6,674,736.21

Aromas Water District
 Balance Sheet Prev Year Comparison
 As of August 31, 2016

	Aug 31, 16	Aug 31, 15
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable	2,349.29	49,024.87
Total Accounts Payable	2,349.29	49,024.87
Credit Cards		
First Bankcard - Louise Coombes	43.38	0.00
First Bankcard -- Trevor Zelmar	30.74	-75.72
Valero - Fuel	252.70	268.15
First Bankcard -- Gina Patten	0.00	680.51
First Bankcard -- David DeAlba	306.69	377.25
First Bankcard -- Vicki Morris	48.72	196.83
Total Credit Cards	682.23	1,447.02
Other Current Liabilities		
Deferred Inflows- Actuarial	71,476.00	71,476.00
CUSTOMER DEPOSITS		
Connection Deposits Payable	4,000.00	4,000.00
Hydrant Meter Deposit	150.00	450.00
Total CUSTOMER DEPOSITS	4,150.00	4,450.00
Accrued Vacation Payable	17,011.82	17,274.27
Interest Payable	7,296.48	11,316.42
PVWMA Payable	16,309.55	11,588.23
Total Other Current Liabilities	116,243.85	116,104.92
Total Current Liabilities	119,275.37	166,576.81
Long Term Liabilities		
GASB 68 Pension Liability	436,144.00	436,144.00
City National Bank	1,423,227.52	1,525,687.33
Total Long Term Liabilities	1,859,371.52	1,961,831.33
Total Liabilities	1,978,646.89	2,128,408.14
Equity		
Investment in Capital Assets	3,945,714.00	3,945,714.00
Unrestricted Net Assets	799,618.32	558,909.25
Net Income	81,951.48	41,704.82
Total Equity	4,827,283.80	4,546,328.07
TOTAL LIABILITIES & EQUITY	6,805,930.69	6,674,736.21

Aromas Water District
Profit & Loss Budget Performance

August 2016

	Aug 16	Budget	Jul - Aug 16	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
303 · Water Revenue	111,178.84	95,000.00	210,538.78	190,000.00	900,000.00
307 · Bulk Water	159.32	500.00	246.22	1,000.00	5,000.00
302 · Connection	0.00	0.00	0.00	0.00	25,580.00
301 · Taxes Rcvd	0.00	0.00	0.00	0.00	62,000.00
304 · Misc Income	0.00	420.00	0.00	840.00	5,000.00
306 · Interest	403.65	290.00	789.61	580.00	3,500.00
312 · Grant Revenue	0.00	0.00	0.00	0.00	2,000.00
Total Income	111,741.81	96,210.00	211,574.61	192,420.00	1,003,080.00
Gross Profit	111,741.81	96,210.00	211,574.61	192,420.00	1,003,080.00
Expense					
Operations					
403 · Fuel	398.21	660.00	936.52	1,320.00	8,000.00
404 · Truck Maint	0.00	500.00	95.47	650.00	5,000.00
431 · System Repair & Maint	5,072.16	4,500.00	7,082.61	9,000.00	58,000.00
463 · Water Analysis	1,379.00	400.00	1,760.00	800.00	6,000.00
464 · Water Treatment	368.40	600.00	1,682.00	1,200.00	7,500.00
468 · Tools	41.21	300.00	330.15	600.00	4,000.00
470 · Annexation/EIR/Planning	0.00	0.00	0.00	0.00	5,000.00
Total Operations	7,258.98	6,960.00	11,886.75	13,570.00	93,500.00
Power					
449.75 · 388 Blohm, # C	18.83	10.00	38.19	20.00	120.00
449.5 · 388 Blohm, A & B Office	120.97	125.00	191.52	250.00	1,500.00
461.5 · RLS Tank Booster	9.85	12.00	15.44	24.00	150.00
447 · Leo Ln Booster	38.74	14.00	65.33	28.00	175.00
448 · Aimee Mdws Well	9.86	10.00	15.82	20.00	130.00
451 · Marshall Corp Yard	26.01	35.00	42.02	70.00	550.00
452 · Rea Booster @ Seely	37.44	80.00	60.27	160.00	1,000.00
454 · Carr Booster	535.20	350.00	836.36	700.00	4,500.00
458 · Pleasant Acres Well	132.45	180.00	208.83	360.00	2,500.00
459 · Seely Booster @ Carpent...	19.71	41.00	31.63	82.00	500.00
460 · San Juan Well	4,815.18	4,500.00	7,524.39	7,500.00	40,000.00
461 · Cole Tank	12.20	12.00	19.60	24.00	150.00
462 · Rea Tank	12.49	12.00	20.08	24.00	150.00
466 · Pine Tree Tank	12.27	12.00	19.70	24.00	150.00
Total Power	5,801.20	5,393.00	9,089.18	9,286.00	51,575.00
Payroll					
Gross	25,347.31	27,000.00	52,308.94	54,000.00	390,000.00
Comp FICA	1,744.35	2,000.00	3,405.79	4,000.00	24,000.00
Comp MCARE	407.96	458.00	796.52	916.00	5,500.00
Comp SUI	30.60	332.00	68.86	664.00	4,000.00
Total Payroll	27,530.22	29,790.00	56,580.11	59,580.00	423,500.00
Employee Costs					
407 · Outside Services	219.50	500.00	356.30	1,000.00	6,000.00
408 · Uniform Allowance	0.00	0.00	0.00	160.00	1,000.00
409 · Workers Comp	604.00	700.00	1,208.00	1,400.00	9,500.00
410 · Health Ins	5,055.92	5,100.00	10,111.84	10,200.00	80,000.00
474 · Education	70.00	500.00	238.03	1,000.00	6,000.00
477 · Retirement	4,800.78	4,700.00	9,289.47	9,400.00	62,500.00
Total Employee Costs	10,750.20	11,500.00	21,203.64	23,160.00	165,000.00
Office					
440 · Misc Exp	120.00	250.00	380.73	500.00	3,000.00
444 · Postage	256.42	350.00	515.90	700.00	4,700.00
445 · Office Supplies	311.55	500.00	424.59	700.00	4,500.00
446 · Office Eqpmt and Maint	12.88	400.00	73.87	800.00	5,000.00
Total Office	700.85	1,500.00	1,395.09	2,700.00	17,200.00

Aromas Water District
Profit & Loss Budget Performance

August 2016

	Aug 16	Budget	Jul - Aug 16	YTD Budget	Annual Budget
Communications					
455 · Phone, Off	328.27	280.00	644.09	560.00	3,400.00
456 · Telemetry	301.54	295.00	603.08	590.00	3,600.00
457 · Answ Serv/Cellular Phone	226.41	250.00	445.29	500.00	3,200.00
Total Communications	856.22	825.00	1,692.46	1,650.00	10,200.00
Administrative & General					
467 - Depreciation	10,500.00	10,500.00	21,000.00	21,000.00	125,000.00
405 · Election	0.00	0.00	0.00	0.00	6,000.00
406 · Liability Ins	1,546.83	1,500.00	3,093.66	3,000.00	18,000.00
415 · Interest, Bond	0.00	0.00	0.00	0.00	41,400.00
420 · Legal Fees	1,250.00	1,300.00	2,500.00	2,600.00	15,600.00
422 · Bank Charges	113.83	125.00	225.74	250.00	1,500.00
423 · Litigation Contingency	0.00	0.00	0.00	10,000.00	10,000.00
425 · Audit	0.00	0.00	0.00	0.00	9,000.00
471 · Bad Debts	0.00	20.00	34.60	40.00	500.00
473 · Memberships	0.00	0.00	921.90	300.00	15,000.00
Total Administrative & General	13,410.66	13,445.00	27,775.90	37,190.00	242,000.00
Total Expense	66,308.33	69,413.00	129,623.13	147,136.00	1,002,975.00
Net Ordinary Income	45,433.48	26,797.00	81,951.48	45,284.00	105.00
Other Income/Expense					
Other Income					
309 · Contributed Capital Assets	0.00	-1,018.44	0.00	-55.85	0.00
Total Other Income	0.00	-1,018.44	0.00	-55.85	0.00
Net Other Income	0.00	-1,018.44	0.00	-55.85	0.00
Net Income	45,433.48	25,778.56	81,951.48	45,228.15	105.00

Aromas Water District
Monthly Expenditures
 August 13 through September 19, 2016

Date	Num	Name	Amount
UB Checking			
08/15/2016	EFT	Payroll	-11,887.65
08/15/2016	15753	James Leap	-205.75
08/15/2016	15754	K. Wayne Norton	-205.75
08/15/2016	15755	Marcus Dutra	-205.75
08/15/2016	15756	Wayne R Holman	-205.75
08/15/2016	15757	Oppidea, LLC	-100.00
08/16/2016	15758	Verizon Wireless	-147.41
08/17/2016	15759	Agee Electric, Inc.	-22,030.98
08/17/2016	15760	Buckles-Smith Electric Co.	-87.90
08/17/2016	15761	Calif Rural Water Assoc	-539.00
08/17/2016	15762	Monterey Bay Analytical Services Inc	-684.00
08/17/2016	15763	Old Firehouse Market	-110.00
08/17/2016	15764	R & B Company	-528.95
08/17/2016	15765	Univar USA, Inc.	-368.40
08/17/2016	Bill adjust	Bill Adjustment Report	-83.07
08/19/2016	Bill adjust	Bill Adjustment Report	-82.01
08/24/2016	15766	ADT Security Services, Inc.	-362.61
08/24/2016	15767	First Bankcard	-774.38
08/24/2016	15768	Master Meter Systems	-1,500.00
08/24/2016	15769	MBWWA	-70.00
08/24/2016	15770	P G & E	-5,781.49
08/24/2016	15771	R & B Company	-247.38
08/24/2016	15772	Valero	-440.68
08/25/2016	EFT	Bank Service Fees	-143.83
08/29/2016	15773	A T & T U-verse	-60.00
08/29/2016	15774	ACWA JPIA, Emp. Ben. Prog.	-5,055.92
08/29/2016	15775	CALNET3	-569.81
08/29/2016	15776	CSSC	-79.00
08/29/2016	15777	D & G Sanitation	-80.63
08/29/2016	15778	Mike Brumit	-330.62
08/29/2016	15779	Recology San Benito County	-34.86
08/29/2016	15780	Robert E. Bosso	-1,250.00
08/29/2016	15781	United Way serving San Benito County	-70.00
08/29/2016	15782	Verizon Wireless	-162.19
08/31/2016	ACH	Payroll	-12,569.56
09/02/2016	15783	T & T Valve and Instrument, Inc.	-122.01
09/02/2016	15784	USPO	-256.42
09/07/2016	Bill Adjust	Bill Adjustment Report	-150.00
09/14/2016	15785	Central Electric	-37.22
09/14/2016	15786	Grainger Inc	-198.05
09/14/2016	15787	Monterey Bay Analytical Services Inc	-695.00
09/14/2016	15788	Old Firehouse Market	-167.50
09/14/2016	15789	R & B Company	-171.46
09/14/2016	15790	Royal Oaks Excavating	-375.00
09/14/2016	15791	Snelson Companies, Inc.	-150.00
09/14/2016	15792	Univar USA, Inc.	-842.07
09/14/2016	15793	Viking Septic	-299.00
09/14/2016	15794	Xerox Corp	-12.61
09/14/2016	ACH	CalPERS	-2,691.32
09/14/2016	ACH	CalPERS	-1,928.01
09/14/2016	ACH	CalPERS	-2,111.28
09/14/2016	ACH	CalPERS	-2,081.92
09/14/2016	ACH	CalPERS	-1,836.34
09/14/2016	15795	James Leap	-205.77
09/14/2016	15796	K. Wayne Norton	-205.77
09/14/2016	15797	Marcus Dutra	-205.77
09/14/2016	15798	Richard Smith	-205.75
09/14/2016	15799	Wayne R Holman	-205.77
09/15/2016	ACH	Payroll	-13,237.69

09/21/16

Aromas Water District
Monthly Expenditures
August 13 through September 19, 2016

Date	Num	Name	Amount
09/16/2016	Bill adjust	Bill Adjustment Report	-190.81
09/19/2016	Bill adjust	Bill Adjustment Report	-194.49
Total UB Checking			-95,832.36
TOTAL			<u>-95,832.36</u>