

REGULAR MEETING OF THE BOARD OF DIRECTORS AGENDA

TUESDAY, May 21, 2024, 7:00 PM

*The Aromas Water District Board of Directors meeting will be held at the District office.
Staff and the public may attend the meeting remotely or in person. Public participation is
encouraged – remote participation instructions are on the following page.*

President- Vicki Morris Vice President- Wayne Holman Director- Wayne Norton Director- Timothy Powers Director- Seth Capron General Manager- Robert Johnson

- I. **CALL TO ORDER**
- II. **ROLL CALL OF DIRECTORS:** President Vicki Morris and Vice President Wayne Holman, Directors Wayne Norton, Timothy Powers, and Seth Capron.
- III. **PLEDGE OF ALLEGIANCE**
- IV. **STATEMENTS OF DISQUALIFICATION**
- V. **ADDITIONS AND DELETIONS**
- VI. **REPORT OUT FROM CLOSED SESSION ON APRIL 23, 2024**
- VII. **MINUTES:** Review the Minutes of the April 22, 2024, Capital Improvement Plan workshop and the April 23, 2024, Regular Board Meeting for Board approval. p. 3-6
- VIII. **ORAL COMMUNICATION:** *Anyone wishing to address the Board on informational items, staff reports or matters not listed on the agenda may do so. Please limit your comment to three (3) minutes. The public may comment on listed Action and Public Hearing items at the time they are considered by the Board.*
- IX. **REPORTS**
 - A. DIRECTORS' REPORTS
 - B. ATTORNEY'S REPORT
 - C. MANAGER'S REPORT p. 7-10
 - D. CORRESPONDENCE p. 11
- X. **CONSENT CALENDAR**
 - A. Consider adopting Resolution #2024-01, Levying of Assessment Tax for Orchard Acres p. 12-13
 - B. Consider adopting Resolution #2024-02, Levying of Assessment Tax for Oakridge/Via Del Sol p. 14-15
- XI. **ACTION ITEMS:**
 - A. Consider adopting Resolution #2024-03, ordering an election for two seats on the Aromas Water District Board of Directors, and provide direction to staff p. 16-19
Staff will present an election request, for discussion and adoption of Resolution #2024-03.
 - B. Consider receiving a progress report about the current Rate Study analysis, and providing direction to staff p. 20
Staff and consultant will present updated findings from the current Rate Study analysis, for discussion.
 - C. **Financial Reports for the Month of April 2024** p. 21-26
Including both Assessment Districts, the financial reports for April show a Total revenue of \$226,329.18; Total expenditures were \$191,212.43 between April 16, and May 13, 2024. These financials and monthly expenditures will be presented for discussion and Board approval.
- XII. **FUTURE MEETINGS & AGENDA ITEMS** – Next meeting – June 25, 2024
- XIII. **CLOSED SESSION**

Pursuant to California Government Code section 54956.8,

 - a) Concerning real property located at 0 Quarry Road, owned by Driscoll's Business Affiliates.
Provide Robert Johnson, District Negotiator, with directions on price, terms and possible next steps.
- XIV. **RETURN TO OPEN SESSION**
- XV. **ADJOURNMENT**

Meeting Attendance Instructions

The public may participate in the District's Board meeting either in person, or by teleconference / web conference via the instructions provided below. In person attendees will be subject to current mask and distancing protocols.

The meeting materials will be available for download from the District's website at:

www.aromaswaterdistrict.org

For those who choose to attend this meeting via Zoom will be muted by default. To join the meeting from a computer, tablet, or smartphone via the Zoom app (free at <http://www.zoom.us>), click the link on the meeting date and time: <https://us02web.zoom.us/j/88337315164>

If you do not have speakers or a microphone on your computer, you can dial in for audio.

Call **(669) 900.9128** and enter the Webinar ID: 88337315164

If you would like to speak during the public comment portion of the meeting, you have the following options:

1. **Online** – raise your hand or use the Q&A panel to submit written comments.
2. **Phone** – press *9 to raise your hand, *6 to send a request to be unmuted to submit verbal comments.

The meeting officially will start at 7:00pm, though remote access will be open 15 minutes before the start of the meeting.

Public engagement is important to the District.

**Minutes of the Aromas Water District
Board of Directors
Capital Improvement Plan Workshop
April 22, 2024**

- I. CALL TO ORDER.** The Aromas Water District Board of Directors Capital Improvement Plan Workshop was called to order by President Morris on Monday, April 22, 2024, at 5:30pm in a standard meeting setting; attendees were present in the Board Room.
- II. ROLL CALL.** President Morris, Vice-President Holman, Directors Powers, Norton, and Capron were present in the Board Room along with General Manager Johnson.
- 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.** There were no additions or deletions.
- VII. ORAL COMMUNICATION.** No public were present. Additional staff members present in the audience were Ester Girõn, David DeAlba, Naomi Bowman, and Shaun Smith.

VIII. WORKSHOP PRESENTATION

A. Consider reviewing the District’s DRAFT Capital Improvement Plan, and providing direction to staff

Staff presented a slide show about what a Capital Improvement Plan (Plan) is and what it can be used for, summarizing the benefits of having such a plan. The remainder of the workshop consisted of staff going through the proposed projects in the Plan and the Directors discussing the merits of each project, as well as timing of implementation. The Directors also wanted some of the projects to be reconfigured.

Also discussed were the proposed engineering costs of the respective projects. There was an overall sense from the Directors that the projects were estimated very high, cost-wise, and the concern was the effect these project estimates would have on the on-going Rate Study effort.

The Directors indicated that an important addition to the report would be the percentage of the system the respective project would have an effect on. This may be a component that is integrated into the Plan.

Lastly, there were some projects that the Directors knew needed to be done, though they were not included in the Plan.

IX. ADJOURNMENT

President Morris adjourned the workshop at 8:00pm.

Read and approved by: _____
President, Vicki Morris

Attest: _____
Board Secretary, Robert Johnson

Date: _____

Date: _____

**Minutes of the Regular Meeting of the
Aromas Water District Board of Directors
April 23, 2024**

- I. CALL TO ORDER.** The regular meeting of the Aromas Water District Board of Directors was called to order by President Morris on Tuesday, April 23, 2024, 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, Directors Powers, Norton, and Capron 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.** There were no additions or deletions.
- VI. REPORT OUT FROM CLOSED SESSION ON MARCH 26, 2024.** GM Johnson was given direction.
- VII. MINUTES.** The minutes of the February 27, and March 26, 2024, Board Meetings were presented for review and approval. Director Norton moved for approval of both sets of minutes; Director Capron seconded. Both sets of minutes were unanimously approved.
- VIII. ORAL COMMUNICATION.** Mr. Dutra spoke regarding his discontent with the way the District was being managed and the fact that the operations shop had not been built.

IX. PRESENTATIONS & REPORTS

- A. Director’s Report.** Director Norton reported that he attended the San Benito Business Council meeting where there was an interesting discussion regarding the improvements to Highway 25.
- B. Attorney's Report.** Counsel Bosso reported that there was not anything to report on that affected our District. He fielded a couple questions from the directors.

C. Manager’s Report:

OPERATIONS & MAINTENANCE

Production & Well Levels

Total production in March 2024 was 5,111,556 gallons; 4% higher than February’s production (roughly 175,764 gallons), and 18% lower than March’s average production. The average daily production was 164,889 gallons.

The District has 976 total connected meters – no new connections this month.

San Juan and Carpenteria wells were operated the entire month, and Pleasant Acres well was operated only one day. All water testing reports were filed on time.

Operational well levels: Carpenteria well was the same as the previous month, and San Juan well was up one foot. **Observational wells:** The Marshall well level showed an increase of one foot from the previous month, and the Aimee Meadows well reading showed no change from the last reading.

INCIDENTS

Staff found a hose illegally connected to the District’s Oakridge Water Tank. Appropriate actions were taken by staff with both the State Water Resources Control Board and the Monterey County Sheriff’s office.

ADMINISTRATIVE

Staff & Board Recognition

GM Johnson reported on the following staff activities: 1) Management Analyst (MA) Girõn and the Operations staff provided materials for customers to complete the Lead and Copper water sampling effort, 2) MA Girõn, GM Johnson and the Operations staff continue to work on the Lead and Copper Service Line Inventory (LCSLI) requirements from the State, 3) MA Girõn, GM Johnson and the Operations staff are continuing to reach out to tank repair consultants to develop a scope of work for the tank repairs identified in the tank cleaning report, and 4) GM Johnson has been working closely with the Rate Study consultant.

Conservation & Rainfall

The beginning of the new rainfall year was on October 1, 2023. Since then, 20.36 inches of precipitation has been recorded by the rain gauge at Chittenden Pass.

PROJECTS

Cole and Rocks Road Annexation

Customers have been connected, based on initial request and payment timing. No new installations were performed this month.

New Water Source

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

Progress on the District's Capital Improvement Plan

A public workshop for the Capital Improvement Plan (Plan) was held on April 22, 2024. The Plan was discussed and there were many reasons the Board was not happy with the Plan. To help move this matter forward as a component to ongoing Rate Study, an Ad Hoc Committee was formed to discuss the matter further.

Follow-up on the Kang Annexation effort

The Kang Annexation, approved by the District Board in November 2022, is completed in DRAFT Form and will be reviewed and edited as necessary. Staff submitted the application electronically and via hard copy to San Benito LAFCo.

D. Correspondence:

GM Johnson went through the monthly correspondence list and provided information on specific items, especially the San Benito County Broadband Hut project as well as the illegal connection to the Oakridge Water Tank.

(continued on next page)

X. ACTION ITEMS

A. Consider approving the Capital Improvement Plan projects, and providing direction to staff

Staff presented the Capital Improvement Plan (Plan) projects and related costs. After much discussion the following motion was made, "Request the General Manager to update the Capital Improvement Plan to reflect the input received from the Board and staff."; Director Capron made the motion, and Director Powers seconded it. Motion was unanimously approved.

B. Consider receiving a preliminary progress report about the current Rate Study analysis, and providing direction to staff

Staff introduced the District's Rate Study consultant who presented the financial model and associated assumptions developed for the District. Issues and possible permutations to the proposed rates were discussed and resulted in the request for additional work. An Ad Hoc Committee of President Morris, Director Capron and GM Johnson was appointed to work with the Rate Study consultant on various scenarios to bring back to the Board for discussion.

C. Financial Reports for the Months of February and March 2024

February: Total Assets / Liabilities & Equity are \$16,221,209.19. In the P&L Report, Revenue for February was \$121,777.99. Total Expenditures were \$96,368.90 between February 17, 2024, and March 16, 2024.

March: Total Assets / Liabilities & Equity are \$16,173,571.55. In the P&L Report, Revenue for March was \$117,439.68. Total Expenditures were \$79,611.15 between March 17, 2024, and April 15, 2024.

President Morris moved to adopt both sets of the Financial Reports which were seconded by Vice-President Holman. The Financial reports were unanimously approved.

XI. FUTURE MEETINGS & AGENDA ITEMS

The next regular Board meeting date will be Tuesday, May 21, 2024, at the District office. At that meeting, there will be a Closed Session related to real property negotiations.

XII. ADJOURNMENT OF REGULAR MEETING TO CLOSED SESSION

The regular meeting was adjourned at 9:37pm.

XIII. RETURN TO OPEN SESSION

Closed Session adjourned at 9:48pm with direction given to the General Manager.

XIV. ADJOURNMENT

President Morris adjourned this meeting at 9:40pm.

Read and approved by: _____
President, Vicki Morris

Attest: _____
Board Secretary, Robert Johnson

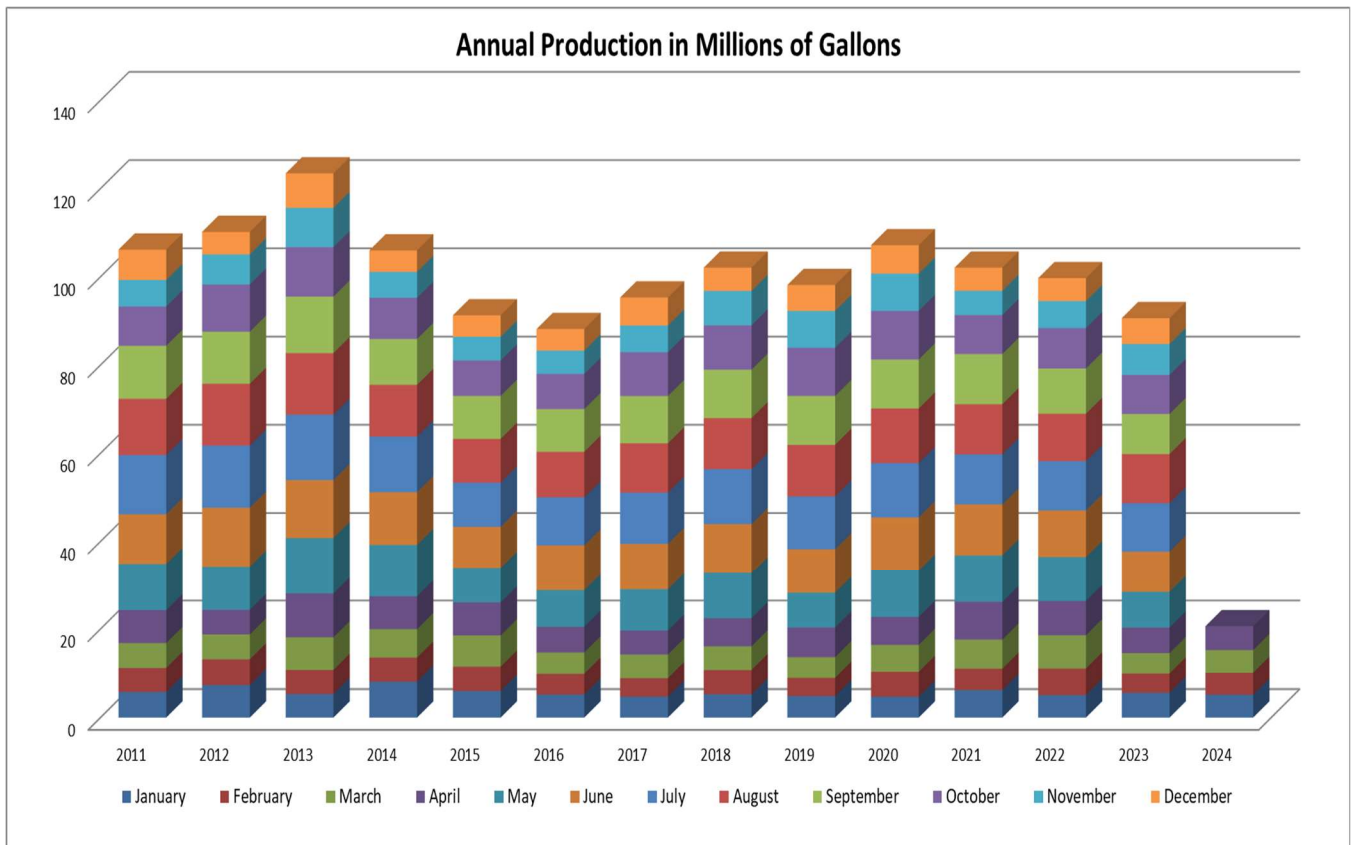
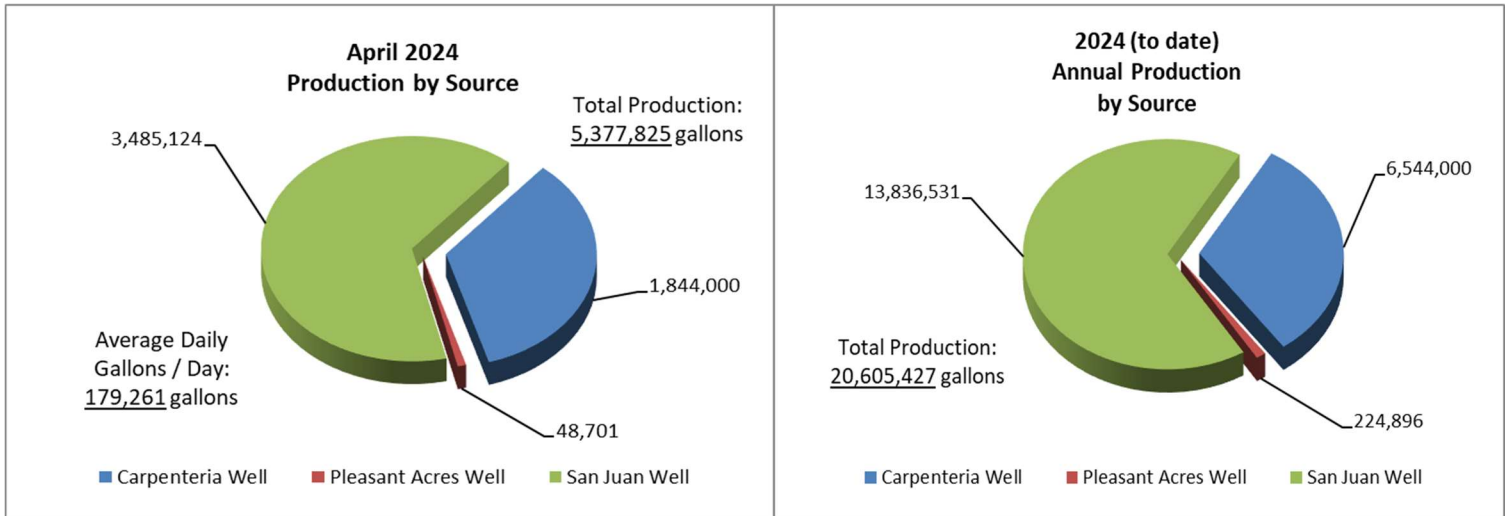
Date: _____

Date: _____

General Manager's Report April 2024



PRODUCTION REPORT



Totals	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Million Gal	123.42	105.97	91.27	88.152	95.304	102.07	98.141	107.1	102.07	99.69	90.62	20.61
Acre Ft	378.7	325.16	280.05	270.49	292.43	313.18	301.13	328.8	313.19	305.89	278.06	63.24

OPERATIONS AND MAINTENANCE REPORT

OPERATIONS:

- There are 976 meters installed.
- San Juan well was operated the entire month, while Carpenteria well was operated all but one day. Pleasant Acres well was operated one day.
- Water Treatment Plant: finished water was free of both iron and manganese this month.
- Distribution testing for total Coliform; all samples were negative.
- All monthly DWR reports on Coliform, and Fe / Mn were filed on time.
- WTP filters are backwashed when necessary.
- Monthly Generator in-house 15-minute testing under load.
- Monthly well-level monitoring (see chart following this report in Board Packet).

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 at the time of this writing.

ADMINISTRATIVE REPORT

STAFF & BOARD RECOGNITION:

- Management Analyst (MA) Girõn and the Operations staff provided the necessary materials for the newly-added customers for the Lead and Copper water sampling effort. The District was informed to expand the number of homes included in the study, and perform the analyses every six months instead of every three years. This is the first round with additionally added sampling sites. All the samples have now been sent to the lab – staff is awaiting results.
- MA Girõn and the Operations staff continue to work on the Lead and Copper Service Line Inventory (LCSLI) requirements from the State. The State has approved the District’s workplan of a statistical sampling of service lines. Staff should be completed by the end of May.
- GM Johnson has been working closely with the Rate Study consultant and the related Rate Study Ad-Hoc Committee.
- GM Johnson attended (as well as Director Capron) a San Benito LAFCo workshop.

CONSERVATION UPDATE:

April’s 2024 water usage figures indicated an increase in water use when compared to March’s water use: an increase of 266,269 gallons, or roughly 5%.

October 1, 2023, marked the start of a new water year. As of the date of this report (May 18), the rain gauge at Chittenden Pass has recorded 21.08 inches of precipitation for this water year, with 0.72 inches of rain this month. As a reminder, last year’s precipitation total (October 2022 to September 2023) was 38.52 inches.

PROJECTS:

1. **Finding a New Water Source Project**

Staff was given additional direction at the April Closed Session meeting and is moving forward.

2. **Progress on the District's Capital Improvement Plan (Plan)**

A public workshop was held on April 22, 2024, to discuss the projects contained within the Plan as well as timing and project necessity. The following night, at the Board meeting, the Plan discussion continued, and the Board was at an impasse on what to do next, based on the rates that would result from the listed projects. A Rate Study Ad-Hoc Committee (Committee) was established to look at projects and rates. The outcome from the Committee will determine how the Plan moves forward.

3. **Follow-up on the Kang Annexation effort**

The Kang Annexation, approved by the District Board in November 2022, and the PVWMA Board of Directors approved the annexation at their April 2023 meeting. The annexation application to San Benito County LAFCo was turned in, by both email and hard copy. Staff met with the LAFCo Executive Officer at a workshop and discuss the matters that need to be finalized for the annexation effort to be completed.

4. **Rate Study 2025**

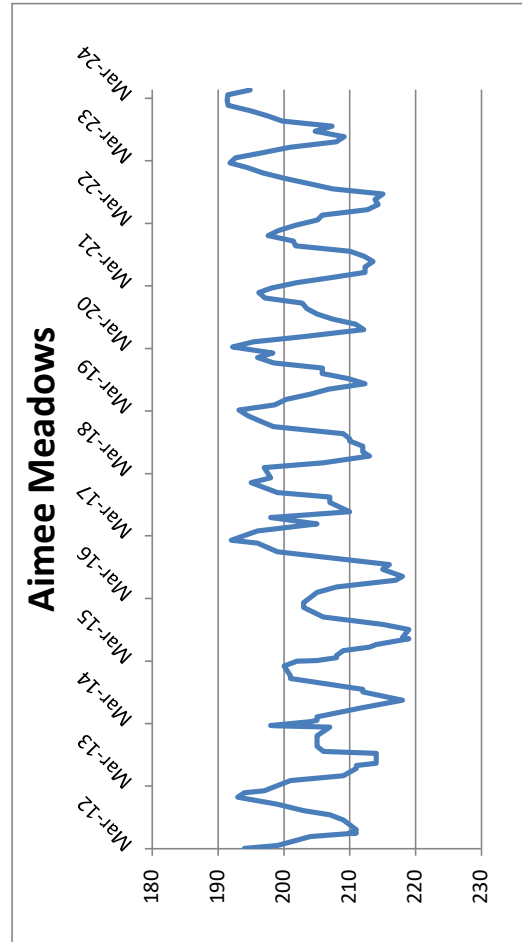
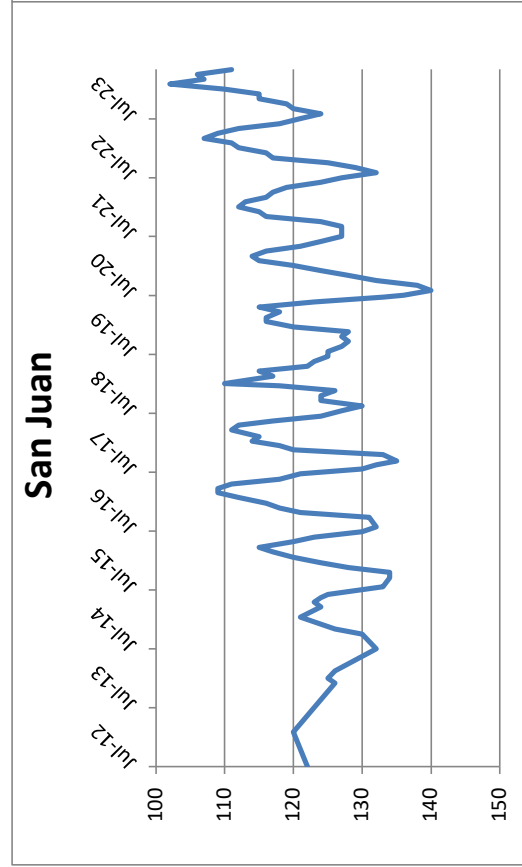
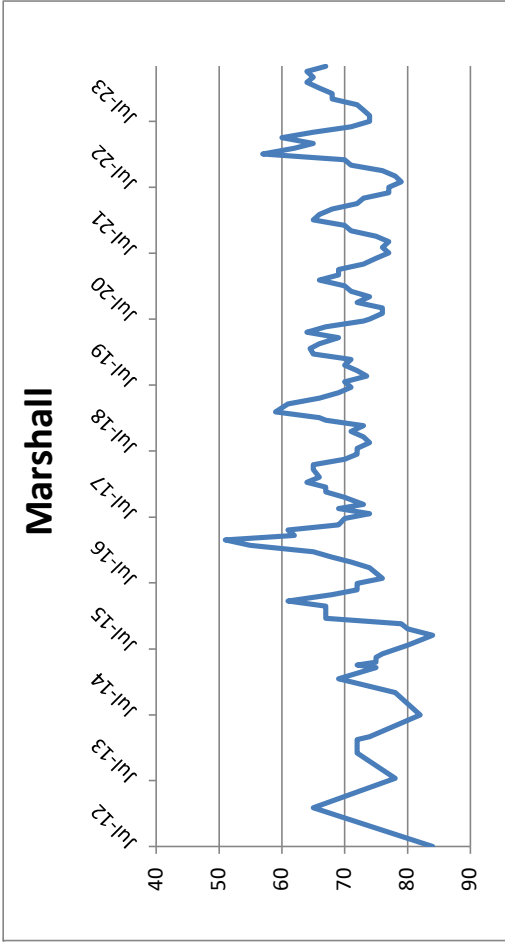
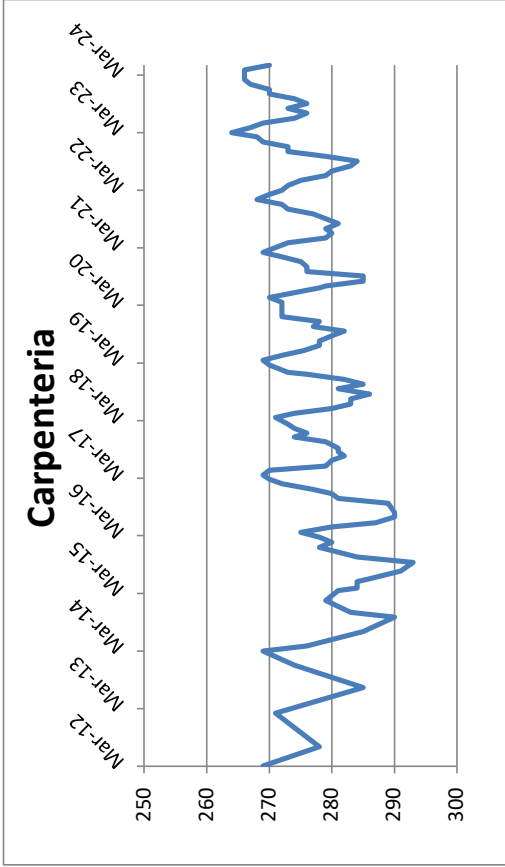
Staff is working with Pavletic Consulting LLC to evaluate the current water rates and develop a new water rate structure for the near future, if needed. This effort ties into the Capital Improvement Plan development process and timing. The Rate Study will include two public meetings, one to present the new rates, and then another two months or so later to identify if the public is in favor of the proposed rate changes.

An Ad-Hoc Committee for the Rate Study was established and at the time of this writing, the Committee has had two meetings and will bring its findings to the full Board at tonight's meeting.

Robert Johnson
General Manager
May 15, 2024

Well Water Level Monitoring
Depth to Water Measurements

Date: May 13, 2024



CORRESPONDENCE LIST: 04/17/2024 – 05/15/2024

DATE	TYPE	TO	FROM	SUBJECT
04/17/24	E	R. Johnson, AWD	C. Silva, TRC Companies	Cole Road Rehab Project
04/23/24	E	R. Johnson, AWD	B. Bosso, AWD Counsel	Aromas-Driscoll
04/24/24	E	R. Johnson, AWD	G. Cabaccang, MC Elections	Documents for Nov. 8, 2024 Election
04/27/24	E	R. Johnson, AWD	T. Pavletic, Pavletic Consulting	Covenant regarding Net Revenues
04/29/24	E	S. Kler, SWRCB DDW	R. Johnson, AWD	Re Found Hose Bib Connected to Oakridge Tank
05/09/24	E	R. Johnson, AWD	J. Stephenson, SB LAFCo	Follow up to AWD's Kang Annexation
05/10/24	E	SWRCB DDW	E. Girõn, AWD	CA3510004-2024-May-TCR
05/13/24	E	SWRCB DDW	E. Girõn, AWD	CA3510004-2024-April-WTP
05/13/24	E	K. Gribbin, Core & Main	R. Johnson, AWD	¾" and 1" Meter Order (2 nd of fiscal year)



RESOLUTION 2024-01

Orchard Acres Assessment District

RESOLUTION CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO THE LEVYING OF GENERAL AND SPECIAL TAXES, ASSESSMENTS AND PROPERTY RELATED FEES AND CHARGES

WHEREAS, the Aromas Water District (AWD) requests that the San Benito County Auditor-Controller enter those general or special taxes, assessments, or property-related fees or charges identified in Exhibit A on the tax roll for collection and distribution by the San Benito County Treasurer-Tax Collector commencing with the property tax bills for fiscal year 2024-25.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. AWD hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general or special taxes, assessments, or property-related fees or charges identified in Exhibit A, regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statutes, or in the applicable decisional law of the State of California.
2. AWD further certifies that, except for the sole negligence or misconduct of the County of San Benito, its officers, employees, and agents, with regards to the handling of the CD or electronic file identified as Exhibit A, AWD shall be solely liable and responsible for defending, at its sole expense, cost, and risk, each and every action, suit, or other proceeding brought against the County of San Benito, its officers, employees, and agents for every claim, demand, or challenge to the levying or imposition of the general or special taxes, assessments, or property-related fees or charges identified in Exhibit A and that it shall pay or satisfy any judgment rendered against the County of San Benito, its officers, employees, and agents on every such action, suit, or other proceeding, including all claims for refunds and interest thereon, legal fees and court costs, and administrative expenses of the County of San Benito to correct the tax rolls.

PASSED AND ADOPTED this 21st day of **May 2024**, upon motion of **Director** _____ seconded by **Director** _____ and carried by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Attest Board President: _____

District Secretary: _____ **Date:** May 21, 2024

EXHIBIT A

TO

**RESOLUTION CERTIFYING COMPLIANCE WITH STATE LAW WITH
RESPECT TO THE LEVYING OF GENERAL AND SPECIAL TAXES,
ASSESSMENTS AND PROPERTY RELATED FEES AND CHARGES**

FISCAL YEAR 2024-25

GENERAL TAXES:

SPECIAL TAXES:

ASSESSMENTS: **\$36,096.00**

PROPERTY-RELATED FEES AND CHARGES:



RESOLUTION 2024-02

Oak Ridge/Via Del Sol Project Assessment District 2013-1

RESOLUTION CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO THE LEVYING OF GENERAL AND SPECIAL TAXES, ASSESSMENTS AND PROPERTY RELATED FEES AND CHARGES

WHEREAS, the Aromas Water District (AWD) requests that the Monterey County Auditor-Controller enter those general or special taxes, assessments, or property-related fees or charges identified in Exhibit A on the tax roll for collection and distribution by the Monterey County Treasurer-Tax Collector commencing with the property tax bills for fiscal year 2024-25.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. AWD hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general or special taxes, assessments, or property-related fees or charges identified in Exhibit A, regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statutes, or in the applicable decisional law of the State of California.
2. AWD further certifies that, except for the sole negligence or misconduct of the County of Monterey, its officers, employees, and agents, with regards to the handling of the CD or electronic file identified as Exhibit A, AWD shall be solely liable and responsible for defending, at its sole expense, cost, and risk, each and every action, suit, or other proceeding brought against the County of Monterey, its officers, employees, and agents for every claim, demand, or challenge to the levying or imposition of the general or special taxes, assessments, or property-related fees or charges identified in Exhibit A and that it shall pay or satisfy any judgment rendered against the County of Monterey, its officers, employees, and agents on every such action, suit, or other proceeding, including all claims for refunds and interest thereon, legal fees and court costs, and administrative expenses of the County of Monterey to correct the tax rolls.

PASSED AND ADOPTED this 21st day of **May, 2024**, upon motion of **Director** _____ seconded by **Director** _____ and carried by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Attest Board President: _____

District Secretary: _____ **Date:** May 21, 2024

EXHIBIT A

TO

**RESOLUTION CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO
THE LEVYING OF GENERAL AND SPECIAL TAXES, ASSESSMENTS AND
PROPERTY RELATED FEES AND CHARGES**

FISCAL YEAR 2024-25

GENERAL TAXES:

SPECIAL TAXES:

ASSESSMENTS: **\$140,585.58**

PROPERTY-RELATED FEES AND CHARGES:

Staff Report



To: Board of Directors

Re: Item XI.A – Consider adopting Resolution #2024-03, ordering an election for two seats on the Aromas Water District Board of Directors, and provide direction to staff

Date: May 15, 2024

Summary / Discussion

The Aromas Water District (District) Board of Directors serve four-year terms on a staggered schedule; one election cycle is for two Board seats and the other is for three seats – this election will be for two Board seats and occur on November 5, 2024.

Attached is a resolution that; 1) orders the election, 2) requests the respective County Elections Departments (District is in both Monterey and San Benito counties) to conduct the elections, and 3) to consolidate the District’s election with the larger election occurring November 5, 2024.

Staff Recommendation

Staff recommends adopting Resolution #2024-03 to initiate the election process for the two seats that are coming up for re-election in November 2024.

Submitted by:

Robert Johnson
General Manager



RESOLUTION 2024-03

RESOLUTION ORDERING AN ELECTION; REQUESTING COUNTY ELECTIONS TO CONDUCT THE ELECTION AND REQUESTING CONSOLIDATION OF THE ELECTION

AROMAS WATER DISTRICT

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election; and

WHEREAS, the resolution of the governing body of the city or district shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 5, 2024;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED THAT THE governing body of the **Aromas Water District** hereby orders an election be called and consolidated with any and all elections also called to be held on November 5, 2024 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the **Aromas Water District** requests the respective Board of Supervisors of the County of Monterey and the County of San Benito each order such consolidation under Elections Code Section 10401, 10403 and 10418.

BE IT FURTHER RESOLVED AND ORDERED that said governing body hereby requests the Board of Supervisors to permit the Monterey County Elections Department and the San Benito Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services, and

BE IT FURTHER RESOLVED AND ORDERED that the candidate(s) will pay for the publication of the statement of qualifications and shall be limited to two hundred (200) words, and

BE IT FURTHER RESOLVED AND ORDERED that the Monterey County Elections Department and the San Benito County Elections Department conduct the election for the purpose of electing the following offices on the November 5, 2024 ballot:

District/Ward Trustee Area	Office	Term
At large	Director of the Board	1/2025 to 12/2028
At large	Director of the Board	1/2025 to 12/2028

PASSED AND ADOPTED this 21st day of May 2024 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

APPROVE:

ATTEST:

Vicki Morris, President of Governing Board

Robert Johnson, Board Secretary

STATEMENT OF ELECTION FACTS

FULL LEGAL NAME OF DISTRICT/CITY AS IT SHOULD APPEAR ON ALL ELECTION DOCUMENTS:

AROMAS WATER DISTRICT

MAIL SHOULD BE ADDRESSED TO: Robert Johnson TITLE: District Secretary

MAILING ADDRESS: PO Box 388, Aromas CA 95004

TELEPHONE: 831-726-3155 FAX: 831-726-3951 E: admin@aromaswaterdistrict.org

WEBSITE: www.aromaswaterdistrict.org

Members of the Governing Body

The qualifications of a nominee of an elective officer of the district are as follows: Must be a registered voter and reside within the Aromas Water District annexed area.

NAME	ADDRESS	DATE 1-ELECTED OR 2-APPOINTED	TERM ENDS	TERM LENGTH
Wayne Holman	2103 Leo Place, Aromas, CA 95004	1 - 1/2021	12/2024	4 YEARS
Vicki Morris	466 Seely Ave, Aromas, CA 95004	1 - 1/2021	12/2024	4 YEARS
Seth Capron	1811 Cole Rd, Aromas, CA 95004	1 - 1/2023	12/2026	4 YEARS
Wayne Norton	398 Seely Ave, Aromas, CA 95004	1 - 1/2023	12/2026	4 YEARS
Timothy Powers	1159 Carr Ave, Aromas, CA 95004	1 - 1/2023	12/2026	4 YEARS

District/Ward Trustee Area: All are elected at large

If a member was appointed by the Board to fill a vacancy, who did this member replace?

Name of the Presiding Officer: Vicki Morris

Name and Address of the District Secretary: Robert Johnson

Check the boxes that apply to Aromas Water District:

The District boundaries have changed since the last election. Enclosed is a new map to reflect those changes.

No boundaries have changed since November 8, 2022 election.

The limitation on the number of words in a candidate statement will be 200 words 400 words

The entity charged for the candidate statement sent to each voter will be the District Candidate

In case of a tie vote, the winner will be determined by: Lot Runoff election

Signature of Presiding Officer

Date

Staff Report



To: Board of Directors

Re: Item XI.B – Consider receiving a progress report about the current Rate Study analysis, and providing direction to staff

Date: May 15, 2024

Summary / Discussion

The Aromas Water District (District) last performed a Water Rates and Capacity Charges Study (Rate Study) in 2019. The results of that effort provided an annual increase in District rates of roughly six-percent per year. The financial review (audit) of the last fiscal year indicated that the District is still in a negative “net position”, meaning existing revenues are not adequate to meet financial targets as well as funding capital improvement projects identified in the 2018 Strategic Plan and updated Capital Improvement Plan (currently in DRAFT form).

The Board of Directors (BOD) hired Pavletic Consulting (PC) to perform a Rate Study applicable to the coming five years. PC (previously known as Municipal Financial Services) has performed the previous two five-year rate studies for the District, so they are familiar with the District and its finances, which has added efficiency to the project, as well as reduced the overall cost.

For tonight’s meeting, staff will provide an update on the Rate Study progress. At the April 2024 Board meeting, an Ad Hoc Committee (Committee) was formed to work through issues related to interplay between the Rate Study and the DRAFT Capital Improvement Plan. After two meetings, the Committee agreed upon a proposed set of rate increases, which will be presented to the full BOD at tonight’s meeting. Based on the results of the discussion at the meeting, PC will be able to complete and present the DRAFT Rate Study report for the BOD at the June meeting, where the Proposition 218 process would commence, if approved.

So, staying with our adjusted schedule, at the next meeting, on June 25, 2024, Mr. Tom Pavletic from PC will present the findings from his DRAFT Water Rates and Water Capacity Charges report.

Also, at that meeting, staff will be seeking authorization to develop and send out a Proposition 218 ballot, requiring 45 days before a public hearing, tentatively scheduled for August 27, with the location to be determined at this time.

Staff Recommendation

Staff recommends the BOD receive the report and provide direction to staff regarding the Rate Study analysis

Submitted by:

Robert Johnson
General Manager

Aromas Water District
Balance Sheet Prev Year Comparison

As of April 30, 2024

	Apr 30, 24	Apr 30, 23
ASSETS		
Current Assets		
Checking/Savings		
US Checking 1715	95,439.16	98,095.95
US BANK Money Market 1842	447,128.18	559,443.34
LAIF-State of Ca xx-05	6,895,340.52	6,635,831.06
Petty Cash	100.00	100.00
Assessment District Banks		
OAWA US Bank 102 Reserve	36,789.91	36,516.42
OAWA US Bank 101 Redemption	4,464.16	2,678.11
OAWA US Bank Checking 0664	26,250.45	24,405.40
Oakridge US BANK Checking 0701	362,374.93	382,834.72
Total Assessment District Banks	429,879.45	446,434.65
Total Checking/Savings	7,867,887.31	7,739,905.00
Accounts Receivable		
1200 · Accounts Rec - Spec Proj/Taxes	28,296.34	1,088.76
Total Accounts Receivable	28,296.34	1,088.76
Other Current Assets		
1292 · Accounts Rec - USDA Loan	1,944,486.01	1,988,523.73
1291 · Accounts Rec - Orchard Acres	281,922.45	296,431.41
Prepaid Insurance	12,069.91	9,284.25
128 · Inventory	83,410.55	77,997.68
1200.1 · Accounts Receivable--UBMax	127,912.09	99,866.06
1201.9 · Less Allowance for doubtful ...	-500.00	-500.00
Total Other Current Assets	2,449,301.01	2,471,603.13
Total Current Assets	10,345,484.66	10,212,596.89
Fixed Assets		
1900 · Water System	12,390,047.12	12,300,233.94
1910 · Construction in Progress	312,357.36	285,479.36
1915 · Office Building & Improvements	440,291.33	440,291.33
1970 · Office Equipment & Fixtures	93,467.05	93,467.05
1980 · District Vehicles	246,989.85	117,577.39
1990 · Land and Easements	331,195.78	331,195.78
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	-8,212,059.75	-7,774,280.75
Total Fixed Assets	5,603,288.74	5,794,964.10
Other Assets		
Deferred Outflow of Resources	315,213.00	136,914.00
Total Other Assets	315,213.00	136,914.00
TOTAL ASSETS	16,263,986.40	16,144,474.99

Aromas Water District
Balance Sheet Prev Year Comparison

As of April 30, 2024

	Apr 30, 24	Apr 30, 23
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable	14,449.55	18,608.64
Total Accounts Payable	14,449.55	18,608.64
Credit Cards		
First Bankcard - S Smith #0239	790.51	508.51
First Bankcard - E Giron #1086	452.68	353.39
First Bankcard -R.Johnson #8178	252.04	3,004.88
First Bankcard - D DeAlba #2486	254.38	64.32
Valero Fleet	0.00	81.00
Total Credit Cards	1,749.61	4,012.10
Other Current Liabilities		
Accrued Sick Payable	5,242.81	5,016.44
Accrued Vacation Payable	45,207.75	44,338.03
Current Portion City National	45,419.27	44,727.68
2100 · Payroll Liabilities	114.71	133.66
Deferred Inflows- Actuarial	66,849.00	335,224.00
CUSTOMER DEPOSITS		
Connection Deposits Payable	10,000.00	29,000.00
Hydrant Meter Deposit	10,800.00	800.00
Total CUSTOMER DEPOSITS	20,800.00	29,800.00
Interest Payable	114,119.86	0.00
PVWMA Payable	9,393.42	7,277.29
Total Other Current Liabilities	307,146.82	466,517.10
Total Current Liabilities	323,345.98	489,137.84
Long Term Liabilities		
Truist Bank	5,400,840.00	5,558,389.00
2392 · Long-term Debt - USDA (Oakr...	2,356,489.90	2,396,489.90
2391 · Long-term Debt - Orchard Acres	350,000.00	365,000.00
GASB 68 Pension Liability	680,082.00	384,014.00
City National Bank	604,903.75	693,136.71
Total Long Term Liabilities	9,392,315.65	9,397,029.61
Total Liabilities	9,715,661.63	9,886,167.45
Equity		
Investment in Capital Assets	6,420,006.53	6,420,006.53
Unrestricted Net Assets	2,648,396.15	2,618,538.53
Allocation of Net Assets	-2,637,574.59	-2,637,574.59
Net Income	117,496.68	-142,662.93
Total Equity	6,548,324.77	6,258,307.54
TOTAL LIABILITIES & EQUITY	16,263,986.40	16,144,474.99

Aromas Water District
Profit & Loss Budget Performance

April 2024

	Apr 24	Budget	Jul '23 - Apr 24	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
303 · Water Revenue	107,903.04	92,000.00	1,220,120.28	1,215,500.00	1,584,700.00
307 · Bulk Water	792.00	800.00	11,423.55	8,000.00	9,600.00
302 · Connection	0.00	0.00	80,280.00	76,160.00	85,700.00
301 · Taxes Rcvd - AWD					
3090 · Oakridge / OAWA Assess...	75,477.39	75,000.00	161,862.72	164,200.00	178,400.00
301 · Taxes Rcvd - AWD - Other	17,483.65	17,500.00	71,923.96	55,500.00	76,000.00
Total 301 · Taxes Rcvd - AWD	92,961.04	92,500.00	233,786.68	219,700.00	254,400.00
304 · Other Office Income & Reimbu...	0.00	125.00	1,006.00	1,250.00	1,500.00
306 · Interest	24,673.10	12,500.00	228,568.80	125,000.00	150,000.00
312 · Grant Revenue	0.00	0.00	1,000.00	1,000.00	1,000.00
Total Income	226,329.18	197,925.00	1,776,185.31	1,646,610.00	2,086,900.00
Gross Profit	226,329.18	197,925.00	1,776,185.31	1,646,610.00	2,086,900.00
Expense					
Operations					
403 · Fuel	1,919.28	2,000.00	19,007.10	20,200.00	24,000.00
404 · Truck Maint	70.54	300.00	8,925.92	7,550.00	8,000.00
431 · System Repair & Maint	2,086.48	10,000.00	88,539.23	105,000.00	125,000.00
463 · Water Analysis	270.00	625.00	4,552.00	6,250.00	7,500.00
464 · Water Treatment	2,390.67	2,300.00	22,540.64	23,200.00	27,000.00
468 · Tools	0.00	540.00	5,238.66	5,880.00	7,000.00
470 · Public Outreach / Annexation	17,845.29	2,100.00	24,773.94	20,800.00	25,000.00
Total Operations	24,582.26	17,865.00	173,577.49	188,880.00	223,500.00
Power					
449.75 · 388 Blohm, # C	115.17	97.00	1,188.35	652.00	850.00
449.5 · 388 Blohm, A & B Office	-25.73	79.00	726.51	790.00	950.00
461.5 · RLS Tank Booster	-45.32	7.00	6.29	61.00	75.00
447 · Leo Ln Booster	26.80	55.00	650.65	550.00	660.00
448 · Aimee Mdws Well	-45.31	6.00	-31.04	60.00	75.00
451 · Marshall Corp Yard	191.75	229.00	1,971.38	1,642.00	2,100.00
452 · Rea Booster @ Seely	28.40	62.50	631.62	625.00	750.00
454 · Carr Booster	460.43	625.00	6,087.09	6,350.00	7,500.00
458 · Pleasant Acres Well	132.46	100.00	1,032.45	1,000.00	1,200.00
459 · Seely Booster @ Carpenteria	24.64	30.00	5,374.96	3,510.00	7,000.00
460 · San Juan Well	5,860.32	4,500.00	62,844.09	56,200.00	65,890.00
461 · Cole Tank	-40.42	7.00	44.59	61.00	75.00
462 · Rea Tank	-39.52	7.00	52.36	61.00	75.00
465 · Lwr Oakridge Boost	57.59	90.00	1,146.31	925.00	1,105.00
465.5 · Upper Oakridge Booster	0.00	0.00	450.00	440.00	440.00
466 · Pine Tree Tank	-39.84	8.00	40.57	82.00	100.00
Total Power	6,661.42	5,902.50	82,216.18	73,009.00	88,845.00
Payroll					
Gross	39,598.29	39,300.00	407,864.51	411,987.00	509,575.00
Comp FICA	2,455.13	2,633.00	24,596.32	26,330.00	31,594.00
Comp MCARE	574.21	616.00	5,917.43	6,160.00	7,389.00
Comp SUI	22.66	182.00	936.27	1,820.00	2,188.00
Payroll Expenses	0.00	0.00	234.00	0.00	0.00
Total Payroll	42,650.29	42,731.00	439,548.53	446,297.00	550,746.00
Employee / Labor Costs					
407 · Outside Services	343.59	2,000.00	6,865.20	20,000.00	45,000.00
408 · Uniform Allowance	0.00	333.00	1,214.69	3,330.00	4,000.00
409 · Workers Comp	718.09	1,297.00	8,811.67	12,970.00	15,562.00
410 · Health Ins	8,367.91	7,530.00	87,012.17	75,300.00	90,360.00
474 · Education	400.00	667.00	1,150.00	6,670.00	8,000.00
477 · Retirement	3,883.60	4,960.00	100,008.76	109,290.00	170,000.00
Total Employee / Labor Costs	13,713.19	16,787.00	205,062.49	227,560.00	332,922.00

Aromas Water District
Profit & Loss Budget Performance

April 2024

	Apr 24	Budget	Jul '23 - Apr 24	YTD Budget	Annual Budget
Office					
440 · Misc Exp	1,671.01	403.00	2,834.99	4,038.00	4,840.00
444 · Postage	324.39	360.00	3,289.39	3,678.00	4,400.00
445 · Office Supplies	320.13	320.00	2,837.64	3,775.00	4,400.00
446 · Office Eqpmt and Maint	444.98	450.00	6,676.33	6,600.00	10,000.00
Total Office	2,760.51	1,533.00	15,638.35	18,091.00	23,640.00
Communications					
455 · Phone, Off	357.66	600.00	5,649.52	5,800.00	7,000.00
456 · Telemetry	133.30	570.00	5,615.46	5,510.00	20,300.00
457 · Answ Serv/Cellular Phone	294.35	350.00	2,851.12	3,500.00	4,200.00
Total Communications	785.31	1,520.00	14,116.10	14,810.00	31,500.00
Administrative & General					
4591 · Admin Fee (Bond Admin N...	1,307.00	1,050.00	4,387.70	4,200.00	5,200.00
4590 · Bond Interest Exp - Assess...	0.00	0.00	115,907.88	121,000.00	121,000.00
417 · Capital Loan Interest	0.00	0.00	177,605.36	177,610.00	187,310.00
467 · Depreciation Reserve	25,737.00	25,737.00	343,746.00	343,746.00	395,217.00
405 · Election	0.00	0.00	0.00	500.00	500.00
406 · Liability Ins	2,686.98	2,680.00	25,797.21	24,640.00	30,000.00
420 · Legal Fees	1,400.00	1,417.00	14,000.00	14,170.00	17,000.00
422 · Bank Charges	162.35	150.00	1,403.35	1,709.00	2,000.00
423 · Litigation Contingency	0.00	2,917.00	0.00	29,170.00	35,000.00
425 · Audit	0.00	550.00	12,370.00	13,660.00	14,520.00
471 · Bad Debts	0.00	42.00	3,785.37	420.00	500.00
473 · Memberships	1,250.00	0.00	29,526.62	27,500.00	27,500.00
Total Administrative & General	32,543.33	34,543.00	728,529.49	758,325.00	835,747.00
Total Expense	123,696.31	120,881.50	1,658,688.63	1,726,972.00	2,086,900.00
Net Ordinary Income	102,632.87	77,043.50	117,496.68	-80,362.00	0.00
Net Income	102,632.87	77,043.50	117,496.68	-80,362.00	0.00

05/15/24

Aromas Water District
Monthly Expenditures
 April 18 through May 15, 2024

Date	Num	Name	Amount
US Checking 1715			
04/18/2024	EFT	QuickBooks Payroll Service	-7,076.58
04/19/2024	19774	USPO	-54.40
04/19/2024	19775	DeAlba (P), David	-3,399.05
04/19/2024	DD2081	Giron (P), Ester	0.00
04/19/2024	DD2083	Johnson (P), Robert L	0.00
04/19/2024	19776	Smith (P), Shaun	-2,043.71
04/19/2024	DD2080	Bowman (P), Naomi	0.00
04/19/2024	DD2082	Hurst (P), Cooky	0.00
04/19/2024	DD2084	Bowman (P), Naomi	0.00
04/19/2024	DD2085	Giron (P), Ester	0.00
04/19/2024	DD2086	Hurst (P), Cooky	0.00
04/19/2024	DD2087	Johnson (P), Robert L	0.00
04/19/2024	E-pay	Employment Development Dept	-837.75
04/19/2024	E-pay	United States Treasury (EFTPS)	-4,478.74
04/19/2024	E-pay	Employment Development Dept	-734.79
04/19/2024	EFT	CalPERS	-1,152.48
04/19/2024	EFT	CalPERS	-3,264.35
04/19/2024	19777	Aromas Water District (Petty Cash)	-435.00
04/19/2024	19778	Core & Main (Formerly HD Supply)	-20,901.23
04/19/2024	19779	Grainger Inc	-145.44
04/19/2024	19780	Iconix Waterworks	-305.29
04/19/2024	19781	PVWMA(Pajaro Valley Water Mgmt Agency)	-14,810.08
04/19/2024	19782	Robert E. Bosso	-1,400.00
04/19/2024	19783	Shaun Smith	-26.80
04/19/2024	19784	Streamline	-126.00
04/19/2024	19785	XIO, INC.	-17,640.00
04/19/2024	NSF	Bill Adjustment Report	-70.23
04/19/2024	NSF	Bill Adjustment Report	-168.85
04/26/2024	Pd online	P G & E	-150.21
04/26/2024	19786	ACE Hardware Prunedale	-30.15
04/26/2024	19787	CALNET3	-94.71
04/26/2024	19788	Core & Main (Formerly HD Supply)	-175.07
04/26/2024	19789	CSSC	-133.00
04/26/2024	19790	Mid Valley Supply	-1,366.10
04/26/2024	19791	Monterey Bay Analytical Services Inc	-270.00
04/26/2024	19792	Monterey Bay Solutions, LLC	-225.00
04/26/2024	19793	Rob Johnson	-50.00
04/26/2024	19794	Xerox Corp	-7.49
04/30/2024	EFT	Bank Service Fees	-178.35
05/01/2024	Pd w/credit	P G & E	0.00
05/01/2024	Pd w/credit	P G & E	0.00
05/01/2024	Pd w/credit	P G & E	0.00
05/02/2024	EFT	QuickBooks Payroll Service	-8,038.80
05/03/2024	Pd online	P G & E	-6,640.29
05/03/2024	DD2088	Bowman (P), Naomi	0.00
05/03/2024	DD2089	Giron (P), Ester	0.00
05/03/2024	19795	DeAlba (P), David	-4,032.65
05/03/2024	DD2091	Johnson (P), Robert L	0.00

05/15/24

Aromas Water District
Monthly Expenditures
 April 18 through May 15, 2024

Date	Num	Name	Amount
05/03/2024	19796	Smith (P), Shaun	-1,906.48
05/03/2024	DD2090	Hurst (P), Cooky	0.00
05/03/2024	DD2092	Capron (P), Seth	0.00
05/03/2024	19797	Holman (P), Wayne R	-243.64
05/03/2024	DD2093	Morris (C), Vicki	0.00
05/03/2024	DD2094	Norton (P), K W	0.00
05/03/2024	DD2095	Powers (P), Timothy W	0.00
05/03/2024	E-pay	Employment Development Dept	-924.53
05/03/2024	E-pay	United States Treasury (EFTPS)	-4,914.32
05/03/2024	EFT	CalPERS	-1,149.57
05/03/2024	EFT	CalPERS	-3,261.58
05/03/2024	Pd w/credit	P G & E	0.00
05/03/2024	19798	Mid Valley Supply	-1,024.57
05/03/2024	19799	Shaun Smith	-73.70
05/03/2024	19800	USPO	-269.99
05/03/2024	VOID	Verizon Wireless	0.00
05/03/2024	Pd online	Verizon Wireless	-105.37
05/03/2024	Pd online	Valero Fleet	-118.44
05/03/2024	Pd online	First Bankcard	-2,214.94
05/10/2024	19801	Pavletic Consulting, LLC	-8,320.00
05/13/2024	Wire Trsf	City National Bank	-55,118.67
05/13/2024	19802	Ace Hardware of Watsonville	-14.26
05/13/2024	19803	ACE Hardware Prunedale	-48.48
05/13/2024	19804	Armer Grading & Paving	-710.00
05/13/2024	19805	CALNET3	-242.67
05/13/2024	19806	gWorks	-275.00
05/13/2024	19807	Old Firehouse Market	-1,569.03
05/13/2024	19808	Pavletic Consulting, LLC	-6,175.00
05/13/2024	19809	Recology San Benito County	-63.59
05/13/2024	19810	Robert E. Bosso	-1,400.00
05/13/2024	VOID	U.S. Bank St. Paul	0.00
05/13/2024	19812	USA BlueBook	-126.01
05/13/2024	19813	Viking Septic	-480.00
Total US Checking 1715			-191,212.43
TOTAL			-191,212.43