

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT
APRIL 23, 2007**

The Regular Meeting of the Board of Directors of the Yuima Municipal Water District was held at the office of the District, 34928 Valley Center Road, Pauma Valley, California on Monday, the 23rd day of April, 2007.

**Regular Meeting
4/23/07**

1. ROLL CALL – DETERMINATION OF QUORUM

Call to Order

The President, W.D. Knutson called the meeting to order at 2:04 p.m.

Directors Present:

Present

W.D. Knutson, President
Douglas K. Anderson, Vice-President
George Stockton, Secretary
Mike Fitzsimmons
John B. Lyttle

Directors Absent:

Absent

None

Present

Others Present:

Linden A. Burzell, General Manager
Lori A. Johnson, Director of Finance
Bob Fowler, Director of Operations & Maintenance
Linden R. Burzell, Engineer
Chief Kevin O’Leary, CDF CalFire
Jolyn Duff, Customer Service Technician
Vanessa Velasquez, Accountant
Andreana Garcia, Scholarship Recipient

President Knutson declared that a quorum of the Board was present.

Quorum Present

2. ADDITIONS TO AGENDA

President Knutson stated that he would entertain a motion to add to the Agenda two items, namely (1) consideration of a resolution setting forth the time & place for a public

**Additions to Agenda
Add Item
II-2
Resolution**

hearing for a water rate increase and giving notice thereof pursuant to the requirements of the Bighorn Decision, and (2) consideration of a report from the Finance Committee regarding the results of their deliberations in a meeting held earlier today. Upon motion offered by Director Stockton, seconded by Director Anderson, the Board unanimously agreed to add Items II-2 & II-3 to the Agenda.

Setting Time & Place for public hearing (water rate increase) & II-3 Report of the Finance Committee mtg.

3. PUBLIC COMMENTS

President Knutson opened the public comment period. No comments from the public were forthcoming.

Public Comments: None

I. CONSENT CALENDAR

Following review of the Consent Calendar, a motion was offered by Director Fitzsimmons, seconded by Director Stockton, to approve the Consent Calendar items as presented, namely; approval of the Minutes of the Regular Meeting of March 26, 2007; the Accounts Paid and Payables for March; and Resolution entitled;

**Consent Calendar
Minutes of Regular Meeting 3/26/07**

RESOLUTION NO. 1106-07
RESOLUTION SETTING FORTH A SCHEDULE OF
WATER AVAILABILITY CHARGES PROPOSED
TO BE ESTABLISHED FOR THE DISTRICT (2007-08)
AND FIXING TIME AND PLACE OF HEARING AND
GIVING NOTICE OF HEARING

**Res.#1106-07
Setting Hearing For Water Availability Charges 2007-08
May 29, 2007
at 2:10 p.m.**

The motion to approve and adopt the Consent Calendar in its entirety was approved unanimously.

President Knutson asked Chief O’Leary to give the board an update on the building project. Chief O’Leary stated that the California Department of Forestry in Sacramento has started the CEQA process on the new building. He estimated the process should take 30 to 45 days to complete. The CDF is working on the lease document for the District’s building. Manager Burzell inquired about transferring the building to CDF. Chief O’Leary stated we can take care of that after the building is complete to avoid further delays in the project.

O’Leary report on Building Project

Chief O’Leary stated that the fire hydrant maintenance program is moving along. The crew has completed maintenance on 77 of the 112 fire hydrants. They expect to have all of them completed by the end of May. He also stated that the incident report for the month of March indicates half the amount of calls compared to March of last year most likely due to the new fire station at Rincon Reservation now responding to all the calls at Harrah’s Casino. *Chief O’Leary left the meeting at 2:12 p.m.*

**Fire Hydrant
Maintenance
Program
Progress**

II. ACTION/DISCUSSION

II-1 Public Hearing to Consider Adoption of the Fire Mitigation Fee Plan

President Knutson opened the public hearing at 2:13 p.m. on the proposed resolution adopting the Fire Mitigation Fee Multi-Year Facilities and Equipment Plan. Manager Burzell stated the notice of hearing was published and posted in accordance with Section §65090 of the Government Code. There were no written or oral comments or objections received. President Knutson closed the hearing at 2:14 p.m. President Knutson stated the funds are being committed annually to the plan to fund a building to store our fire equipment and the CDF engines located at the Rincon Station. Following discussion and upon motion being offered by Director Fitzsimmons, seconded by Director Anderson, Resolution No. 1107-07, entitled

**Public Hearing
Fire Mitigation
Fee Multi-year
plan**

**RESOLUTION NO. 1107-07
RESOLUTION OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT ADOPTING
THE FIRE MITIGATION FEE MULTI-YEAR FACILITIES
AND EQUIPMENT PLAN FOR THE YUIMA, PAUMA AND
MOOTAMIA MUNICIPAL WATER DISTRICTS**

**Res. 1107-07
Adopting the
Fire Mitigation
Fee Multi-year
facilities and
Equipment Plan**

was adopted by the following roll-call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Lyttle, Stockton

NOES: None

ABSENT: None

II-2 Proposed Resolution Setting Forth the Time and Place of Hearing and Giving Notice of Hearing for A Water Rate Increase

Director of Finance Johnson stated that in order to meet the provisions of Proposition 218, requiring a mailing to all property owners in the district at least 45 days prior to the public hearing, the board needs to set the time and place of the public hearing. Since the 2007-08 budget is not yet complete and the exact amount of the increase in the water rate and other charges are unknown at this time, it is proposed that the notice will cover the highest known percent of increase, which is the 10% increase in the San Diego County Water Authority's Infrastructure Access Charge and in the notice it will read *up to a maximum of 10%* on all water, pumping, and meter related fees and charges. The notice will be mailed on or before May 11th for the public hearing on June 25th. Upon motion offered by Director Stockton, seconded by Director Fitzsimmons, Resolution No. 1108-07, entitled

RESOLUTION NO. 1108-07
RESOLUTION OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT
SETTING FORTH THE TIME AND PLACE
OF HEARING AND GIVING NOTICE OF
HEARING FOR A WATER RATE INCREASE
JUNE 25, 2007

**Res. 1108-07
Setting Hearing
and giving
notice for a
water rate
increase
(June 25, 2007
2:10 p.m.)**

was adopted by the following roll-call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Lyttle, Stockton

NOES: None

ABSENT: None

II-3 Finance Committee Report Re: Salary and Benefits and Capital Program

President Knutson reported that the Finance Committee of the full board has reviewed the manager's recommendations and the recommendations of the Personnel Committee and has approved the following:

**Finance
Committee
report on
Salary, Benefits
& Capital Imp.
Program
(2007-08 FY)**

1. The District will offer a choice of health care plans (adding an HMO choice) through the ACWA program that will allow employee choice of PPO or an

HMO plan during the annual enrollment period.

2. Adjust the Director of Finance salary range to \$8,850 - \$11,939 per month and adjust the incumbent's salary to the middle of the new range.
3. Adjust the Senior System Specialist salary range to \$4,700 - \$6155 per month
4. Adjust the Senior System Technician salary range to \$4,700 - \$6,155/mo.
5. Adjust the Water Systems Technician II upper salary range to \$5,129 per month.
6. Adjust the Maintenance Technician salary range to \$4,291 - \$5,129 per month and adjust the incumbent's salary to the middle of the new range.
7. Adjust the Customer Service Technician salary range to \$4,252 - \$5,600 per month, adjust the incumbent's salary to the middle of the new range and change the job title to *Customer Service and Administrative Assistant*.
8. Adjust a 3.4% cost-of-living increase effective 7-1-07 across the board.

Director Stockton stated that these changes will keep our salary schedule and benefit package competitive with other water agencies in the county in order to assure retention of current employees and the ability to attract qualified new employees as necessary.

Manager Burzell stated that over the last three years the board has approved changes to get the salary schedules and benefits in alignment with other districts and we have now accomplished that goal. Appropriate annual cost of living increases should keep them in alignment.

President Knutson reported on the capital improvement budget and CIP schedule reviewed earlier today. The proposed capital projects for 2007-08 totals \$2,105,257 which will be incorporated in the 2007-08 budget. Following discussion and upon a motion offered by Director Knutson, seconded by Director Stockton and carried unanimously to approve the Salary & Benefit and CIP Budget recommendations as presented and direct staff to work these figures into the 2007-08 budget to be reviewed in June.

**Salary, Benefits
& Capital
Improvement
amounts to
incorporate in
Budget for
2007-08 FY**

III. REPORTS/MEETINGS

III-1. Board Reports/Meetings

Director Knutson reported that :

- ✦ The actuaries for the Worker's Compensation Program indicates a 25% reduction in premium for the July 1st policy period. The RPA Stabilization Fund (RSF) has been very successful, refunding over \$1 million in each of the last four years. Last year 186 members received refund checks, including Yuima. After the last round of refunds, the current balance in the RSF account is over \$4.7 million. JPIA will be expanding the use of the RPA Stabilization Fund to include allowing members to use their RSF fund to pay for any increase in their Liability Program deposit premium that exceeds 110 percent of the prior year's deposit premium. He also stated that the actuaries on the worker's compensation program for the July 1st renewal indicates a 25% reduction in premium.
- ✦ The U.S. Ninth Circuit Federal Court of Appeals has dismissed the most significant challenge to the lining of the All-American Canal. The injunction that halted construction last August has added approximately \$40 million dollars in delay expenses to the project. The project is scheduled to start the 1st of June.
- ✦ It will be hard times ahead if we have another dry year. The Colorado River system has about 60 million acre-feet of storage capacity and is about 50% full. The State Water Project reservoirs are nearly full, but only add up to about 5 million acre-feet of storage. So although supplies are adequate this year, another drought year will severely tax the system and met will have to rely heavily on a number of non-core supplies which have never really been tested in a drought emergency. With climate change factored in, the prospect of serious water shortages in the near future looms larger than ever.
- ✦ Recent court rulings designed to protect the Delta Smelt and salmon pose a serious problem because they raise the possibility of having to shut

Board Reports

ACWA/JPIA

SDCWA/MWD

down pumps at the Harvey O. Banks Pumping Station, effectively eliminating deliveries of State Water Project water to Southern California within sixty days.

Director Stockton reported that the Rancho Estates Mutual Water Company will be installing a new main booster pump and have asked shareholders to hold off on irrigation from April 22 through April 26th. There will be water available for domestic use only.

**Rancho Estates
MWC**

Director Anderson stated the company picnic can be held at his ranch on June 23rd if that date works for everyone.

**Company Picnic
June 23rd
Anderson's**

III-2. Administrative Report

Manager Burzell called the board's attention to his written Administrative report. He stated that the Upper San Luis Rey Watershed Authority has now been approved by the boards of the Vista Irrigation District, San Luis Rey Indian Water Authority, Pauma Valley Community Service District, the Upper San Luis Rey Conservation District and Yuima. The Directors were elected at the organizational meeting held on March 28th.

**Administrative
Report**

**Upper San Luis
Rey Watershed
Authority**

Director Stockton inquired about the LAFCO's Micro Report on the fire district re-organization. Manager Burzell stated that it has come to LAFCO's attention that they can not transfer a latent power of a Municipal Water District, namely those exercising their latent powers to provide fire protection. The Rincon Del Diablo MWD, Ramona MWD, Pauma MWD, Mootamia MWD and Yuima MWD will not be included in the agencies under consideration in the Phase I LAFCO fire district re-organization study.

**LAFCO Fire
District
re-organization**

III-3. Capital Improvement Program Review.

Manager Burzell stated that as of March 31st, the current year capital improvement program totals \$2,998,750, of which \$514,991 has been expended to date.

**Discussion on
Capital
Improvements**

III-4. Operations Report.

Director of Operations & Maintenance Fowler reported that he expects to have the Cal Trans encroachment permit this week for the contractor to move forward and finish the Hampton Line.

Operations Report
Hampton Line

He stated a leak has developed in the lining that was installed in Mesa Tank last April. Flexi-Liner will be out this week to repair the leak from the inside.

Mesa Tank Liner

He also stated that Blastco, Inc., the contractor for the interior coating of Forebay and McNally Tank #1, will be finished this week. As soon as the required water testing is complete the tanks will be put back into service.

McNally Tank No. 1 & Forebay tank project

Director of Operations & Maintenance Fowler stated that he and Customer Service Technician Duff continue to refine the Emergency Response Plan to best work with our district needs. He asked Customer Service Technician Duff to present the *Draft Employee Emergency Notification and Response Handbook*. She stated that the booklet contains the emergency organizational chart, duties and responsibilities and emergency contact phone numbers. She displayed the contents of the emergency backpacks and updated the board on the plans and current progress of stocking the emergency supplies.

Emergency Response Plan Update

Accountant Velasquez updated the board on the web site feature for customers to view their bill on line and pay their bill on line. She stated we have numerous customers signed up to view their account on line. We are also receiving payments on line successfully.

Review & pay your bill on line

Customer Service Technician Duff and Accountant Velasquez left the meeting at 3:16 p.m.

II-4 Presentation of Yuima Scholar Award – Andreana Garcia

Andreana Garcia 2007 Scholarship Recipient

President Knutson presented a \$500 scholarship to Andreana Garcia, Yuima's 2007 recipient. Miss Garcia thanked the board for their support.

III-5. Engineer's Report.

Engineer Burzell reported that he is on schedule for the plans and specifications for

Engineer's Report

Station 8 tank to go out to bid this quarter. The pipeline re-routing is currently in progress to prepare us for taking the pump station and reservoir out of service. He stated he is still exploring a suitable site for the Station 6 tank location.

III-6. Counsel's Report.

Counsel was not present.

Counsel's Report

III-7. Finance Report

Director of Finance Johnson called the Board's attention to the Treasurer's report, noting that Certificate of Deposit maturities this month were placed at 5% for time frames ranging from 1 year to 1 ½ year maturities.

Finance Reports

Treasurer's Report

She reported that the district filed a lien on one delinquent account and if it remains delinquent July 1st we will bring it back to the board to place the amount on the tax roll.

Delinquent Accounts

The 9 month budget report was next reviewed noting that sales are at 80% of projected budget and if spring and early summer weather patterns are similar to last year, we will meet 100% of our budgeted sales projections for the fiscal year, or 6,800 acre feet. She outlined the other variances as stated in the report.

9-Mo. Budget Report

III-8. Joint Powers Fire Report

President Knutson stated the report was taken up earlier in the meeting to accommodate Chief O'Leary's schedule.

IV. OTHER BUSINESS

Other Business

Manager Burzell stated customer Lin Villalobos was unable to be at the meeting today but requested the board consider looking at the delinquency fees for water bills that are paid late. She would like the board to consider having a flat fee for late charges. President Knutson stated the current delinquency penalty of 5% is reasonable and fair and sees no need

Villalobos Request re: Revision to Delinquency Fee Policy

to make any adjustment to the current policy.

V. ADJOURNMENT

There being no further business to come before the board and upon motion offered by Director Stockton, seconded by Director Fitzsimmons and carried unanimously to adjourn the meeting to Tuesday, May 29th at 2:00 p.m. due to the Memorial Day Holiday. Said meeting to serve as the regular meeting of the board for all purposes. The meeting was adjourned at 3:40 p.m.

Adjournment

Original Minutes were signed
and approved May 29, 2007

George Stockton, Secretary

ATTEST:

Original Minutes were signed
and approved May 29, 2007
W.D. Knutson, President