

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT
August 25, 2008**

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 25th day of August, 2008.

**Regular Meeting
8/25/08**

1. ROLL CALL – DETERMINATION OF QUORUM

Call to Order

President Knutson called the meeting to order at 2:11 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
- Leigh Wood-Dudash, Layne GeoScience
- Chief John Kremensky
- Chief Burk Kremensky

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

Quorum Present

2. ADDITIONS TO AGENDA

There were no additions to the agenda.

Additions to agenda: none

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 and Government Code §53065.5 reporting total for July upon a motion was offered by Director Stockton, seconded by Director Lytle, to approve the Consent Calendar with a correction to the minutes as noted. The Consent Calendar, namely; approval of the Minutes of the Regular Adjourned Meeting of July 28, 2008; and the Accounts Paid and Payables and the monthly financials for July and Resolutions entitled;

**Consent
Calendar

Minutes of
Regular Adj.
Meeting
7/28/08
Accounts Paid
& Payable, June

Acceptance of
Monthly
Financial
Reports**

RESOLUTION NO. 1194-08
RESOLUTION ACCEPTING THE CONSTRUCTION PROJECT
KNOWN AS IDA FAN WELL PIPELINES FOR WELLS 3, &A, 10 & 13
(Paradise Associates, Inc. dba, A-Park Avenue Builders)

**Res.#1194-08
Accepting the
IDA Fan Well
Pipelines

(A-Park Avenue
Builders)**

and

RESOLUTION NO. 1195-08
RESOLUTION AUTHORIZING CHECKING, SAVINGS
AND INVESTMENT ACCOUNTS WITH VARIOUS FINANCIAL
INSTITUTIONS AND BROKER/DEALERS
(Cantella & Company Inc. & National Financial Services, Inc.)

**Res. 1195-08
Authorizing
Accounts with
Cantella &
Company &
National
Financial
Services, Inc.**

and

RESOLUTION NO. 1196-08
RESOLUTION AUTHORIZING ENTRY INTO A WIRE
TRANSFER AUTHORIZATION AND AGREEMENT WITH
CANTELLA & COMPANY, INC. AND NATIONAL FINANCIAL SERVICES, Inc.

**Res. 1196-08
Authorizing
Wire Transfer
Agreement with
Cantella &
Company &
National
Financial
Services, Inc.**

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

AYES: Knutson, Anderson, Stockton, Fitzsimmons, Lyttle

NOES: None

ABSENT: None

II. ACTION/DISCUSSION

II-1 Proposed Resolution Approving Change Order No. 1 & 2 for the Construction of Station 8 Pump Station Improvement 4 Pumps, Motor Control Center (Hidden Valley Pump Systems, Inc.)

Director of Operations & Maintenance Fowler explained that a change in the scope of work was confirmed with Hidden Valley Pump to allow for a future emergency generator. In addition, SDG&E required changes to the electrical switchgear equipment and automatic transfer switch equipment to meet their current requirement. This change will result in a cost increase of \$18,989.41 and an additional 65 days to the contract for completion to November 14th. Following discussion and upon motion offered by Director Fitzsimmons, and seconded by Director Lyttle, that Resolution No. 1194-08 entitled,

RESOLUTION NO. 1197-08
RESOLUTION APPROVING CHANGE ORDER NO. 1 & 2
FOR THE CONSTRUCTION OF STATION 8 PUMP STATION
IMPROVEMENTS 4 PUMPS, MOTOR CONTROL CENTER
(HIDDEN VALLEY PUMP SYSTEMS, INC.)

**Res. 1197-08
Adopting
Change Order
#1&2 Station 8**

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

AYES: Knutson, Anderson, Stockton, Fitzsimmons, Lyttle

NOES: None

ABSENT: None

II-2 Proposed Resolution Authorizing a Decrease in the Commercial Security and Business Loan Agreement With California Bank & Trust for ACH Transactions

Manager Burzell stated that the requirement that California Bank & Trusts has to keep a combined daily balance at 125% of our ACH limit is too high. By lowering our

ACH limit it will free up available funds for investment. Following discussion and upon motion offered by Director Fitzsimmons, and seconded by Director Stockton, that Resolution No. 1198-08 entitled,

RESOLUTION NO. 1198-08
RESOLUTION AUTHORIZING A DECREASE IN THE
COMMERCIAL SECURITY AND BUSINESS LOAN AGREEMENT WITH
CALIFORNIA BANK AND TRUST FOR ACH TRANSACTIONS

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

AYES: Knutson, Anderson, Stockton, Fitzsimmons, Lyttle

NOES: None

ABSENT: None

III. REPORTS/MEETINGS

III-1. Board Reports/Meetings

Director Knutson reported on recent developments concerning overall supply issues on both the Colorado River and State Water Project systems. Storage levels in the principal Colorado River reservoirs have dramatically increased. Supplies from the State Water Project are expected to continue to be severely constrained by environmental issues in the Delta.

III-2. Administrative Report

Manager Burzell called the board's attention to his written Administrative report. There were no questions.

III-3. Capital Improvement Program Review.

Manager Burzell stated that as of the end of the fiscal year just ended, the District completed 58.2% of capital projects, while expending 55.2% of appropriated funds. The figures will improve somewhat when final year-end accounting is complete. Projected expenditures of some \$355,000 for new wells were delayed pending completion of the LISA

**Res. 1198-08
Decreasing
Maximum Limit
on Commercial
Security
Agreement with
Cal. Bank &
Trust.**

**Board Reports
SDCWA/MWD**

**Administrative
Report**

**Discussion on
Capital
Improvements**

grant funded groundwater study, since the results of the study should materially assist in selecting prime drilling locations. Projected expenditures on the Southern Route Pipeline were deferred because of significant progress on the Northern Route alternative.

III-4. Operations Report.

Director of Operations & Maintenance Fowler called the boards attention to the written report in the packet. There were no questions on the written report in the packet.

Operations Report

III-5. Engineer's Report.

Engineer was not present.

Engineer's Report

III-6. Counsel's Report.

Counsel was not present.

Counsel's Report

III-7. Finance Report

Director of Finance Johnson reviewed called the boards attention to the letter received from OES in regards to the appeal and FEMA's denial of funding for Amendment #2 post-fire debris removal costs. It is OES's belief that the post-fire information presented to FEMA concludes that the damages suffered under Amendment #2, namely the mud and debris flow damages following the rain events occurring from November 2007 through February 2008 were a direct result of the compromised watershed conditions cause by the wildfires and requests FEMA revisit the information for approval.

Finance Reports

FEMA Application Update

III-8. Joint Powers Fire Report

Chief John Kremensky introduced his brother Burk Kremensky who will be taking his place in this area. He also stated that Captain Rick Johnson will be assigned back at Rincon Station. He stated progress on the building is moving forward.

Fire District Report

IV. OTHER BUSINESS

Leigh Wood-Dudash of Layne GeoScience updated the board on progress on the LISA-funded geophysical study. Gravity field work is complete and data analysis is proceeding. Resistivity and magneto-telluric field work will begin shortly.

Other Business
Layne
GeoScience
monthly report

V. ADJOURNMENT

There being no further business to come before the board and upon motion to adjourn the meeting offered by Director Stockton, seconded by Director Fitzsimmons and carried unanimously, the meeting was adjourned at 3:55 p.m.

Adjournment
3:55 p.m.

Original Minutes were signed and
approved on September 22, 2008
George Stockton, Secretary

ATTEST:

Original Minutes were signed and
approved on September 22, 2008
W.D. Knutson, President