

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT
January 26, 2009**

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 26th day of January, 2009.

**Regular Meeting
01/26/09**

1. ROLL CALL – DETERMINATION OF QUORUM

Call to Order

President Knutson called the meeting to order at 2:00 p.m..

Directors Present:

Present: All

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

Directors Absent:

Absent: None

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
Battalion Chief Jeff Johnson
Barbara Stead

Following the roll call, President Knutson declared that a quorum of the Board was present.

Quorum Present

2. ADDITIONS TO AGENDA

Additions to agenda: none

There were no additions to the agenda.

3. PUBLIC COMMENTS

President Knutson opened the public comment period. No comments from the public were forthcoming. Manager Burzell announced that Barbara Stead had called the District to indicate her desire for an extension of time to file a request for a meter down-sizing, and that in the event she were unable to attend the meeting, that he would advise the board of her request.

**Public
Comments:
None**

4. ELECTION OF OFFICERS

President Knutson stated that nominations for the office of Board President were in order and opened the floor for the nomination of officers. Director Stockton nominated Bill Knutson for the office of President; there were no other nominations. Upon motion offered by Director Stockton, seconded by Director Fitzsimmons and carried, Director Knutson was elected President by a unanimous vote of the directors present. Chairman Knutson opened the floor for the nomination of Vice-President. Director Stockton nominated Doug Anderson for the office of Vice-President; there were no other nominations. Upon motion offered by Director Stockton, seconded by Director Fitzsimmons and carried, Director Anderson was elected vice-president by a unanimous vote of the directors present. Chairman Knutson opened the floor for nomination of Secretary/Treasurer. Director Fitzsimmons then nominated George Stockton for the office of Secretary/Treasurer; there were no other nominations. Upon motion offered by Director Fitzsimmons, seconded by Director Lyttle and carried, Director Anderson was thereupon elected Vice President by a unanimous vote of the directors present.

**Election of
Officers**

I. CONSENT CALENDAR

Following review of the Consent Calendar and upon a motion was offered by Director Fitzsimmons, seconded by Director Anderson, the Consent Calendar, namely; approval of the Minutes of the Regular Adjourned Meeting of December 30, 2008; the Accounts Paid and Payable for December; the monthly financial reports for December; Resolution 1212-09 Accepting *Project Known as Fire Apparatus Steel Building – (Hunter*

**Consent
Calendar**

**Minutes of
Regular Adj.
Meeting
12/30/08**

Res. 1212-09

Steel Construction, Inc.; Resolution 1213-09 *in Support of AB 28 (Jeffries) Relating to Natural Gas Standby Power Generation During Electric Power Outages*; approving for filing with the Court the *Certificate of Compliance by Yuima MWD as Successor in Interest to Palomar Mutual Water Company for Calendar Year 2008 (Strub)* were adopted by the following roll-call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Lyttle, Stockton

NOES: None

ABSENT: None

ABSTAIN: None

II. ACTION/DISCUSSION

II-1 Discussion and Possible Action on Office Manager/Salary Range Limits

After discussion and upon a motion by Director Stockton, seconded by Director Fitzsimmons, the Board determined that existing salary ranges will be maintained for the balance of the fiscal year. Merit raises that can be accommodated within these existing limits will be permitted at the discretion of the General Manager. The motion was adopted by the following roll-call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Lyttle, Stockton

NOES: None

ABSENT: None

ABSTAIN: None

II-2. Proposed Resolution Reallocating Capital Improvement Funds.

After discussion and upon a motion by Director Fitzsimmons, seconded by Director Lyttle, Resolution No. 1214-09 entitled,

Resolution No. 1214-09
Resolution of the Board of Directors of the

Accepting Fire Apparatus Bldg. (Hunter Steel)

Res. 1213 -09 Supporting AB 28 (Jeffries) – Exemption of Standby Generators

Certificate of Compliance (Strub)

Office Mgr./Salary Range limits – Established ranges to be maintained thru balance of fiscal year.

Res. 1214-09 Reallocating CIP Funds

Yuima Municipal Water District Reallocating
Capital Improvement Funds

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

AYES: Knutson, Anderson, Fitzsimmons, Lyttle, Stockton

NOES: None

ABSENT: None

ABSTAIN: None

II-3. Proposed Resolution Approving the Design, Determining the Wage Scale, and Approving Plans and Specifications and Other Contract Documents For and Authorizing the Advertisement of Invitation for Bids for the Station 8 Facilities Paving

After discussion and upon a motion by Director Stockton, seconded by Director Fitzsimmons, Resolution No. 1215-09 entitled *Resolution Approving the Design, Determining the Wage Scale, and Approving Plans and Specifications and Other Contract Documents For and Authorizing the Advertisement of Invitation for Bids for the Station 8 Facilities Paving* was adopted by the following roll-call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Lyttle, Stockton

NOES: None

ABSENT: None

ABSENT: None

**Res. 1215-09
Contract docs
for Station 8
Paving**

II-4. President's Appointments to Committees.

President Knutson announced his re-confirmation of all current committee assignments, with the following exceptions:

- The Board's representatives on the 2009 Employee Recognition Committee will be Directors Anderson and Director Fitzsimmons, joined by Manager Burzell.
- The Board's representatives on the 2009 CSDA and Yuima Scholarship Committee will be Directors Stockton and Knutson, joined by Manager Burzell.

II-5. LAFCO Nominations

President Knutson opened the floor for nominations to LAFCO Regular and alternate member positions. No nominations were forthcoming.

III. REPORTS/MEETINGS

III-1. Board Reports/Meetings

Director Knutson reported that:

- Audio versions of CWA board meetings are now available on-line at the Water Authority's website under the "Live Audio" tab
- The cost of Met's spot water purchases is higher than expected; one factor is that the price of rice has gone from \$7/cwt to \$25/cwt, which makes it more attractive for farmers to use the water for irrigation than to sell it.
- The DWR is not getting a strong response on the Water Bank, it appears that they will be lucky to get 50 TAF into the program
- MWD is delaying a rate increase decision until April '09; it is very likely that there will be a rate increase of about 14% in July '09, followed by another 14% increase in January '10.
- Conservation savings are not nearly as much as hoped for under the "20 gallon challenge" campaign (only about 5% savings); whereas ag customers have cut nearly 40%. Net result: about a 10% overall contribution from conservation.
- Pipeline installation has begun in the San Vicente pipeline tunnel, with completion expected in August. Cost over-runs to date total between \$60 and \$80 million.
- Joe Parker has been appointed to the position of Director Emeritus to Met from the SDCWA

III-2. Administrative Report

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

Board Reports

Audio of CWA mtgs. Available on line.

Administrative Report

- A letter was received from Swift Water Company offering to sell the District approximately 1,000 gpm (or up to 1,600 acre-feet per year) of water from Swift's reverse osmosis groundwater facility in Bonsall. Completion of a water purchase agreement would require, among other things, an exchange agreement with either Rainbow MWD or the City of Oceanside, both of whom border Swift's property and are member agencies of the SDCWA. An agreement that generally follows the terms of the Schoepe agreement may be possible, assuming that all technical issues can be resolved.
- In light of changing water supply and other conditions, the previously articulated policy of the Board to support and encourage reasonable annexations to the District's service area will necessarily be subject to a number of conditions, all of which should be reasonable and defensible from a public policy standpoint. Among these, the General Manager listed the following criteria which would have to be met in order for the District to be willing and able to provide service:
 1. Any parcel to be served must be annexed into the District, the SDCWA, and Met. This would require, in addition to the consent of the above-referenced parties, payment of all fees and compliance with all applicable LAFCO rules.
 2. The District must, at the time service is requested, have the right to make new connections, which will require that no moratorium on new services be in effect at the District, CWA or Met level.
 3. Applicant to pay all improvement and other fees when due.
 4. The applicant would be required to pay for any necessary hydraulic analysis to ascertain the impact of the project on the District's water system.
 5. Applicant must provide all necessary fee title and easements as required for construction of offsite and onsite facilities.
 6. Applicant will be required to construct all on-site and off-site facilities as required by the District to facilitate service.
 7. Applicant must execute an agreement with the District for pipeline construction, if required, along with all necessary insurance, bonding and other charges as required when invoiced.

8. Any application would be conditioned on the availability of adequately sized District main line facilities in reasonable proximity to the annexing parcel(s).

III-3. Capital Improvement Program Review.

Manager Burzell drew the Board's attention to the Capital Improvement summaries; there were no questions.

**Discussion on
Capital
Improvements**

III-4. Operations Report.

Director of Operations & Maintenance Fowler called the Board's attention to his written Operations Report; there were no questions.

**Operations
Report**

III-5. Engineer's Report.

The position of District Engineer is current vacant, following the passing of Linden R. Burzell on August 22, 2008

**Engineer's
Report**

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 6 month budget report stating that water sales are at about 61% of budget which is under our normal 72% of budget at this time of year.

Finance Reports

III-8 Joint Powers Fire Report

Jeffrey Johnson, CalFire's new Battalion Chief for our area, introduced himself to the Board and described his prior experience his pleasure at the challenges of his new assignment.

III-9. Groundwater Study Report

Leigh Wood-Dudash from Layne GeoScience updated the board stating that they will be compiling the field data into reports to be presented in the near future.

IV. OTHER BUSINESS

1. CLOSED SESSION: Public Employee Performance Evaluation – General Manager (Pursuant to Government Code Section §54957.6).

The Board entered closed session at 3:37 p.m. and emerged from closed session at 3:55 p.m., at which time President Knutson announced that the Board, being very pleased with the General Manager's performance, was awarding him (1) a 2% salary increase effective January 11, 2009, and (2) one week of paid administrative leave, to be taken during CY 2009, upon motion by Director Anderson, seconded by Director Lyttle and passed unanimously.

V. ADJOURNMENT

There being no further business to come before the board and upon a motion by Director Fitzsimmons, seconded by Director Lyttle, it was unanimously agreed that the meeting stand adjourned at 4:01 p.m.

**Closed Session:
General
Manager's
Review**

**Adjournment
4:01 p.m.**

Original Minutes Signed and
Approved on 2/23/2009. _____
George Stockton, Secretary

ATTEST:

Original Minutes Signed and
Approved on 2/23/2009. _____
W.D. Knutson, President