

**MINUTES OF THE REGULAR ADJOURNED MEETING
OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT
June 29, 2009**

The Regular Adjourned 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 29th day of June, 2009.

**Regular
Adj.Meeting
6/29/09**

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
Ron W. Watkins

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
Chief Jeff Johnson, CalFire
Tony Cinquini
Ron Deutschendorf, Shadow Run Ranch
Mark Thompson, TRS Consultants

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. There were no comments from the public.

**Public
Comments:**

None

I. CONSENT CALENDAR

Following review of the Consent Calendar, a motion was offered by Director Stockton, seconded by Director Fitzsimmons, to adopt the Consent Calendar, namely; approval of the Minutes of the Regular Adjourned Meeting of May 26, 2009; the Accounts Paid and Payable for May, 2009; the monthly financial reports for May, 2009; Resolution No. 1252-09 *Approving Agreement for Water Service and Management Contract for the Lazy H Mutual Water Company and Rescinding Resolution No. 1179-08*; Resolution 1253-09 *Approving Agreement for Record Keeping and Secretarial Services for the Mootamai Municipal Water District and Rescinding Resolution No. 1180-08*; Resolution No. 1254-09 *Authorizing Agreement for Emergency and Support Services for the Rancho Estates Mutual Water Company and Rescinding Resolution No. 1181-08*; Resolution 1255-09 *Authorizing Agreement for Emergency and Support Services for the Pauma Valley Mutual Water Company and Rescinding Resolution No. 1182-08*; Resolution 1256-09 *Authorizing Execution of Agreement for Mutual Fire Protection Aid (Yuima, Pauma & Mootamai Joint Powers and San Diego County Fire Authority)*; Resolution 1257-09 *Accepting the Construction Project Known as the Partial Replacement of the Hegardt Pipeline (Jimenez, Inc. dba MJC Construction)*. The motion was adopted by the following roll-call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Stockton, Watkins

NOES: None

ABSENT: None

**Consent
Calendar**

**Minutes of
Reg. Meeting
of 5/26/09**

**Accts. Paid &
Payable for
May '09**

**Monthly Fin.
Reports for
May '09**

**Res. 1252-09
Lazy H
Svc/Mgmt**

**Res.1253-09
Mootamai
Mgmt.**

**Res. 1254-09
Rcho. Estates
Emerg. Svcs**

**Res. 1255-09
PVMWC
Emerg. Svcs.**

**Res. 1256-09
Mut. Aid -
Fire**

**Res. 1257-09
Hegardt
Acceptance
(MJC Cons.)**

II. SPECIAL REPORTS

The Special Report on CalFire activities was deferred to a time later in the meeting, pending arrival of Chief Johnson.

**Special
Report
CalFire
(deferred)**

III. ACTION/DISCUSSION

III-1 Public Hearing to Receive Comments and Consider Adoption of the Proposed Schedule of Water Rates and Charges.

Public
Hearing –
Rates and
Charges.

President Knutson called the Public Hearing to order at 2:10. Tony Cinquini inquired as to why the budget workshop notice and work papers were not posted on the website. Director of Finance Johnson stated the notice was posted on the district door last week and the working papers are not in a form that can be posted on the web site. Director of Finance Johnson gave an overview of the proposed rates stating that our imported water cost will be increasing 18.1% and that MET's incremental reduction of the Interim Agricultural Water Program (IAWP) credit will increase the agricultural imported water cost by 28%. It is projected that we will purchase approximately 40% of our total water requirements from the San Diego County Water Authority. This amount is the district's 2006-07 IAWP base less the MET imposed 30% cut-back. Basically that is all the water we will be entitled to purchase assuming MET does not impose any additional restrictions. She stated that 53% of the budget is earmarked for the purchase of water and the energy required to pump water through our distribution system. Staff has proposed a 15% increase to the agricultural water rate and a 9% increase to the domestic water rate, along with a 7% increase in the monthly meter charge effective July 1, 2009. In addition, passing through the San Diego County Water Authority's Infrastructure Access Charge 6.3% increase that will be effective January 1, 2010. After discussion of the rate and charges proposals, President Knutson closed the public hearing at 2:20.

III-1.A. Resolution Adopting Increases in Water Rates and Charges and Amending Rules and Regulation Governing Water Service (Schedule of Rates, Rentals, Fees, Deposits and Charges (Sections 4.1.1; 11.5; 16.1; 16.2; 16.3; 16.4; 16.5; & 18.3.6)

Res. 1258-09
Water Rates
& Amending
Rules &
Regulations

Upon a motion by Director Fitzsimmons, seconded by Director Watkins, a motion to approve Resolution No. 1258-09 *Adopting Increases in Water Rates and Charges and Amending Rules and Regulation Governing Water Service (Schedule of Rates, Rentals, Fees, Deposits and Charges (Sections 4.1.1; 11.5; 16.1; 16.2; 16.3; 16.4; 16.5; & 18.3.6)* was

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

AYES: Knutson, Anderson, Fitzsimmons, Stockton, Watkins

NOES: None

ABSTAIN: None

ABSENT: None

III-2. Resolution Adopting the Operating and Capital Budget for Fiscal Year 2009-10

After discussion and upon a motion by Director Watkins, seconded by Director Fitzsimmons, the Board approved Resolution No. 1259-09 *Adopting the Operating and Capital Budget for Fiscal Year 2009-10* as proposed by staff and the Finance Committee, provided, that it is the express intention of the Board in passing the Operating and Capital Budget that every effort be made to ensure that the District not operate at a deficit, and further, that every effort shall be made to increase local water production pursuant to this objective. The motion was adopted by the following roll call vote, to wit:

AYES: Knutson, Fitzsimmons, Anderson, Watkins

NOES: Stockton

ABSTAIN: None

ABSENT: None

III-3. Resolution Authorizing Execution of Sixth Amendment to Lease Agreement
Between Yuima Municipal Water District and New Cingular Wireless, PCS LLC
(SD0476)

After discussion and upon a motion by Director Fitzsimmons, seconded by Director Stockton, the motion to approve Resolution 1260-09 *Authorizing Execution of Sixth Amendment to Lease Agreement Between Yuima Municipal Water District and New Cingular Wireless, PCS LLC (SD0476)* was passed by the following roll call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Stockton, Watkins

NOES: None

ABSTAIN: None

ABSENT: None

**Res. 1259-09
Adopting the
Operating
and Capital
Budget for
2009-10**

**Res. 1260-09
Approving
Sixth
Amendment
to Lease
Agreement
New Cingular
Wireless
(AT&T)**

III-4. Continued Representation of the District by Best, Best & Krieger in the SDG&E/CPUC Proceeding

Best, Best & Krieger Fee Authorization

After discussion and upon a motion by Director Stockton, seconded by Director Fitzsimmons, the Board authorized continued legal representation by Best, Best and Krieger, and payment of up to \$6,000 in additional legal fees to that firm for such services, in connection with the matters now pending before the CPUC involving SDG&E, by the following roll call vote, to wit:

BBK legal services re SDG&E/CPUC (\$6,000 limit)

AYES: Knutson, Anderson, Fitzsimmons, Stockton

NOES: None

ABSTAIN: Watkins

ABSENT: None

III-5 Resolution Requesting Informal Approval by the San Diego County Water Authority, The Metropolitan Water District of So. California and the Local Agency Formation Commission of Concurrent Annexation to Said Agencies (Shadow Run Ranch LLC and Sherrill A. Schoepe, General Partner – a maximum of 276.21 acres.

Res. 1261-09 Requesting Information Approval of Concurrent Annexation to SDCWA & Met of Shadow Run Ranch, LLC

Following discussion and upon a motion by Director Fitzsimmons, seconded by Director Anderson, Resolution No. 1261-09, *Requesting Informal Approval by the San Diego County Water Authority, The Metropolitan Water District of So. California and the Local Agency Formation Commission of Concurrent Annexation to Said Agencies (Shadow Run Ranch LLC and Sherrill A. Schoepe, General Partner – a maximum of 276.21 acres* was adopted by the following roll call vote:

AYES: Knutson, Anderson, Fitzsimmons, Watkins

NOES: Stockton

ABSTAIN: None

ABSENT: None

CalFire Report – Chief

Johnson.

At 3:05, Chief Johnson of CalFire was recognized by President Knutson. Chief Johnson reported that call volume was down during the previous month (a total of 70 calls). Maintenance on ten fire hydrants was completed. There were no significant emergency events in May. The new fire apparatus building will be formally turned over to CalFire on July 1st.

III-6. Ordinance Governing Water Conservation and Development/Redevelopment to Ensure Water Use Efficiency

**Ord. 103-09
Water
Conservation
& Water Use
Efficiency**

Following discussion and upon a motion by Director Stockton, seconded by Director Watkins, Ordinance No. 103-09, entitled *Governing Water Conservation and Development/Redevelopment to Ensure Water Use Efficiency* was adopted by the following roll call vote:

AYES: Knutson, Anderson, Fitzsimmons, Stockton, Watkins

NOES: None

ABSTAIN: None

ABSENT: None

**PEMHCA
Eligibility
Criteria
2 terms; 55
years of age**

III-7. Setting Criteria for Retiree Eligibility under the Public Employee's Medical and Hospital Care Act (PEMHCA)

After discussion and upon a motion by Director Watkins, seconded by Director Anderson, the board voted to establish, as eligibility criteria for eligibility under PEMHCA, minimum service of two full terms as a director and a minimum age of at least 55 years. The motion passed unanimously.

III-08. Resolution Opposing the Introduction of Steelhead Trout into the San Luis Rey River.

After discussion and upon a motion by Director Watkins, seconded by Director Stockton, the board approved Resolution No. 1262-09 *Opposing the Introduction of Steelhead*

**Res. 1262-09
Opposing
Introduction
of Steelhead**

Trout into the San Luis Rey River. The motion passed unanimously.

**Trout into
SLR**

IV. REPORTS/MEETINGS

IV-1. Board Reports/Meetings

Director Knutson reported that:

**Board
Reports**

**President
Knutson**

- No salary increases have been approved at SDCWA for the General Manager and General Counsel
- A \$1.6 billion 2-year budget has been approved for SDCWA
- Major water rate increases will occur in September '09 and January, over objections from Olivenhain

IV-2. Administrative Report

Manager Burzell called the board's attention to his written Administrative report.

**Admin.
Report**

There were no questions.

IV-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**

IV-4. Operations Report.

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

**Operations
Report**

IV-5. Engineer's Report.

None.

**Engineer's
Report**

IV-6. Counsel's Report.

Counsel Scott was not present.

**Counsel's
Report**

IV-7. Finance Report

Director of Finance Johnson gave a brief update on the 9/80 staff scheduling stating that we are nearing the end of the six month trial period. We identified and worked through some issues in the scheduling. We changed the office staff to an A/B schedule wherein every Friday the office is staffed with one half staff which provides better customer service than the original “dark Friday” concept. We found that there are a lot of customer calls, walk-ins and payment handling on any given Friday and want to continue to provide the best customer service possible. She stated that in July we plan to try out the A/B scheduling concept with the operations staff to help even out the overtime and provide adequate coverage in the field. Following discussion it was agreed that the trial period will continue for another 6 months.

Finance Reports

V. OTHER BUSINESS

None

Other Business

VI. ADJOURNMENT

There being no further business to come before the board and upon a motion by Director Watkins, seconded by Director Stockton, it was unanimously agreed that the meeting stand adjourned at 3:53 p.m.

**Adjournment
3:53 p.m.**

Original minutes signed and
approved on July 27, 2009
George Stockton, Secretary

ATTEST:

Original minutes signed and
approved on July 27, 2009

W.D. Knutson, President