

**MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF  
YUIMA MUNICIPAL WATER DISTRICT  
April 26, 2010**

The Special Meeting (Board Workshop) 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 26<sup>th</sup> day of April, 2010.

**Special Meeting  
04/26/10**

**1. ROLL CALL – DETERMINATION OF QUORUM**

**Call to Order**

President Knutson called the meeting to order at 12:15 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  
Todd D. Engstrand, Director of Operations & Engineering

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

**Quorum Present**

**2. ADDITIONS TO AGENDA**

Upon motion by Director Stockton, seconded by Director Watkins to add a Closed Session to the agenda for Public Employment (Labor Negotiations) pursuant to Government Code Section 54957. The motion was approved by the following roll call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Stockton, Watkins

NOES: None

ABSTAIN: None

ABSENT: None

### 3. PUBLIC COMMENTS

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

**Public  
Comments:  
None**

#### I. ACTION/DISCUSSION

- I-1. Review the 2010 Proposed Capital Improvement Projects
- I-2. Review the 2010-11 Fire Protection Budget
- I-3. Review the District Investment Policy
- I-4. Review the District Insurance
- I-5. Fixed Cost Study/Meter Charges
- I-7. Review of Financial Reporting Requirements under GASB 45 & 57 and CalPERS Employer's Retiree Benefit Trust.

**Review:  
Capital  
Fire Protection  
Investments  
Insurance  
Meter Charges  
GASB 45 & 57  
CalPERS Trust**

Members of the board reviewed the items presented for inclusion in the 2010-2011 budget.

- I-6. Review the Personnel Committee report on Staffing, Salary and Benefit Considerations.

**Staffing, Salary  
& Benefits**

Chairman Knutson called a Closed Session: Public Employment (Labor Negotiations) Pursuant to Government Code Section 54957.  
*Staff members Johnson and Engstrand left the meeting at 1:15 p.m.*

**Closed session  
1:15 p.m.**

Open session was resumed at 1:47 p.m. Chairman Knutson reported there was no action taken.

**Open session  
1:47 p.m.**

#### II. OTHER BUSINESS

There was no other business.

**Other Business**

**III. 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 special meeting was adjourned at 1:59 p.m.

**Adjourn special meeting @ 1:59 p.m.**

ATTEST:

Original was signed and  
approved on May 24, 2010  
\_\_\_\_\_  
W.D. Knutson, President

\_\_\_\_\_  
Original was signed and  
approved on May 24, 2010  
\_\_\_\_\_  
George Stockton, Secretary

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
YUIMA MUNICIPAL WATER DISTRICT  
April 26, 2010**

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 26<sup>th</sup> day of April, 2010.

**Regular Meeting  
04/26/10**

**1. ROLL CALL – DETERMINATION OF QUORUM**

**Call to Order**

President Knutson called the meeting to order at 2:03 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  
Todd D. Engstrand, Director of Operations & Engineering  
Chief Jeff Johnson, CalFire  
Nicky Lovejoy, California Bank and Trust  
Garrett Paelko

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

**Quorum Present**

**2. ADDITIONS TO AGENDA**

There were no additions to the agenda.

### 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 upon a motion offered by Director Watkins, seconded by Director Fitzsimons, the Consent Calendar, namely; approval of the Minutes of the Regular Meeting of March 22, 2010; the Accounts Paid and Payable for March, 2010; the monthly financial reports for March, 2010; and Resolution 1305-10 *Adopting an Annual Statement of Investment Policy and Rescinding Resolution No. 1238-09*; were adopted by the following roll-call vote, to wit:

**Consent  
Calendar**  
**Minutes of  
Regular  
Meeting  
3/22/10**  
**Accts paid &  
payable Mar '10**  
**Financial  
Reports for Feb**  
**Res. 1305-10  
Investment  
Policy**

AYES: Knutson, Anderson, Fitzsimmons, Watkins, Stockton

NOES: None

ABSENT: None

#### II. SPECIAL REPORTS

Special Reports deferred pending arrival of Chief Johnson

#### III. ACTION/DISCUSSION

##### III-1 Public Hearing to Consider Adoption of Fire Mitigation Multi-Year Facilities and Equipment Plan

**Public Hearing:  
Fire Mitigation  
Plan**

President Knutson opened the Public Hearing at 2:10 p.m. No members of the public being present to address the Board, the hearing was closed at 2:12 p.m.

##### III-1A. Resolution Adopting the Fire Mitigation Fee Multi-Year Facilities and Equipment Plan for the Yuima, Pauma and Mootamai Municipal Water

Districts.

Upon a motion by Director Fitzsimmons, seconded by Director Stockton Resolution 1306-10 entitled *Resolution Adopting the Fire Mitigation Fee Multi-Year Facilities and Equipment Plan for the Yuima, Pauma and Mootamai Municipal Water Districts* was approved by the following roll-call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Watkins, Stockton

NOES: None

ABSENT: None

III-2. Public Hearing on Proposed Schedule of Water Availability Charges

President Knutson declared the Public Hearing open at 2:16 p.m. No members of the public being present and wishing to address the board, the Public Hearing was closed at 2:17 p.m.

III-2A. Proposed Ordinance Fixing a Water Availability Charges for the District (2010/11)

After discussion and upon a motion by Director Fitzsimmons, seconded by Director Anderson, Ordinance 105 -10 *Fixing a Water Availability Charges for the District (2010/11)* was approved by the following roll-call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Watkins, Stockton

NOES: None

ABSENT: None

Special Reports

At this point and as a courtesy to the parties present, President Knutson invited the CalFIRE and Cal Bank and Trust representatives to make their presentations to the Board. Chief Johnson presented the monthly station call statistics, which were generally in line with recent experience. Fire hydrant maintenance has been completed for the year. The onset of the fire season will begin in June, so CalFIRE will turn its attention to fuel supply control

**Res. 1306-10  
Fire Mitigation  
Fee Multi-Year  
Plan**

**Public Hearing:  
Water  
Availability  
Charge**

**Ord. 105-10  
Fixing Water  
Availability  
Charges**

under the LE38 program. As of May 1<sup>st</sup>, one air tanker and 2 air attack helicopters will be added to the fleet, with another to be added in June.

Nicky Lovejoy of California Bank & Trust reported on the procedures used by the bank to ensure continuity of service in cases of emergency or natural disaster. The information presented concluded that California Bank & Trust, an affiliate bank of Zions Bancorporaiton has steps in place to lessen the chance of interrupted service in the event of an emergency or natural disaster. Their business continuity program is a comprehensive and up-to-date program that provides effective methods and procedures for dealing with anticipated disaster and business disruptions.

III-3. Resolution Approving the Amendment to the Cooperative Agreement Schedule A-4142 & A-4144 for the Estimated Cost of Service for Fire Protection for Fiscal Year 2010/11.

**Res. 1307-10  
Cooperative  
Agreement  
Schedules – Fire  
Service**

After discussion and upon a motion by Director Fitzsimmons, seconded by Director Anderson, Resolution 1307-10 entitled *Resolution Approving the Amendment to the Cooperative Agreement Schedule -4142 & A-4144 for the Estimated Cost of Service for Fire Protection for Fiscal Year 2010/11* was approved by the following roll call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Stockton, Watkins

NOES: None

ABSTAIN: None

ABSENT: None

III-4. Resolution Levying a Special Fire Tax (Fire Protection) for the Fiscal Year 2010/11 (Amador)

**Res. 1308-10  
Levying Fire  
Tax for  
F.Y.2010/11**

After discussion and upon a motion by Director Watkins, seconded by Director Stockton, Resolution 1308-10 entitled *Resolution Levying a Special Fire Tax (Fire*

*Protection) for the Fiscal Year 2010/11 (Amador)* was approved by the following roll call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Stockton, Watkins

NOES: None

ABSTAIN: None

ABSENT: None

III-5. Resolution to Pre-Fund Other Post Employment Benefits Through CalPERS California Employers' Retiree Benefit Trust (CERBT)

After discussion and upon a motion by Director Fitzsimmons, seconded by Director Watson, the Resolution 1309-10 entitled *Resolution to Pre-Fund Other Post Employment Benefits Through CalPERS California Employers' Retiree Benefit Trust (CERBT)* was approved by the following roll call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Watkins, Stockton

NOES: None

ABSENT: None

ABSTAIN: None

III-6. Resolution Authorizing Delegation of Authority or Request Disbursement from CalPERS California Employers' Retiree Benefit Trust (CERBT)

After discussion and upon a motion by Director Fitzsimmons, seconded by Director Stockton, Resolution 1310-10 *Authorizing Delegation of Authority or Request Disbursement from CalPERS California Employers' Retiree Benefit Trust (CERBT)* was approved by the following roll call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Watkins, Stockton

NOES: None

ABSENT: None

ABSTAIN: None

**Res. 1309-10  
Pre-fund Other  
Post Retirement  
benefits through  
CERBT**

**Res. 1310-10  
Delegation of  
Authority to  
CERBT**

III-7. Review Study on IDA Well Agreements

After discussion and upon a motion by Director Stockton, seconded by Director Fitzsimmons, the Board approved an indefinite extension of the current moratorium on Well Agreements in IDA by the following roll call vote, to wit:

AYES: Knutson, Anderson, Fitzsimmons, Watkins, Stockton

NOES: None

ABSENT: None

ABSTAIN: None

**Indefinite  
Extension of  
Moratorium on  
IDA Well  
Agreements**

**IV. REPORTS/MEETINGS**

IV-1. Board Reports/Meetings

Director Knutson discussed a number of issues related to Met's rate-setting policies, with particular attention to the unfair effects of Met's method of calculating the transportation charge applied to deliveries from the State Water Project. A moratorium on challenges to Met rates that came into effect as a part of the QSA settlement has now expired, and it is anticipated that SDCWA will pursue an aggressive challenge of the transportation rate calculation procedure.

**Board Reports  
SDCWA/MWD**

The judge's ruling in the QSA litigation has been appealed. The Secretary of the Interior has indicated that the water will continue to flow during the appeal process.

The CWA board has approved a new annexation policy that generally follows the recommendations of the member agency managers developed through a technical advisory committee over the past several months.

The Met board has approved 7.5% rate increases for the next two years, rather than the 12% increase for next year as previously expected.

IV-2. Administrative Report

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

**Administrative Report**

IV-3. Capital Improvement Program Review.

Manager Burzell called the Board's attention to the CIP Review; there were no questions.

**Discussion on Capital Improvements**

IV-4. Operations, Maintenance & Engineering Report.

Director of Operations/Engineering Todd Engstrand called the Board's attention to the Operations Report; there were no questions.

**Operations, Maintenance & Engineering Report**

IV-5. Counsel's Report.

Counsel was not present.

**Counsel's Report**

IV-6. Finance Report

Director of Finance Johnson reviewed the 9 month budget report stating that sales are 8% below budget projections for this time of year and 300 acre feet less as compared to this time last year. She stated that we have a \$300,000 deficit net margin at March 31, 2010. The mild weather will continue to hamper water sale demands for April and May. She stated that she received the recommended rates and charges from CWA last week noting that the proposed "All-in" Rate Estimates total \$104 per acre foot with the melded supply rate accounting for 62.5% of their rate increase. The CWA Infrastructure Access Charge is increasing 23% effective January 1, 2011. These increases will be a pass-through in our rate projections.

**Finance Reports  
9 month budget report**

**Audit of the Electric bills**

She reported that Utility Cost Management LLC (UCM) has completed its review of the District's electricity accounts stating that they could not identify any billing errors or offer any recommendation that will reduce our electrical costs.

**V. OTHER BUSINESS**

There was no other business brought before the board.

**VI. ADJOURNMENT**

There being no further business to come before the board and upon motion to adjourn the meeting offered by Director Watkins, seconded by Director Stockton and carried unanimously, the meeting was adjourned at 4:08 p.m. The next meeting of the board will be a Special Meeting to be convened on Monday, May 17, 2010 at 2:00 p.m. at the offices of the District. A meeting of the Personnel Committee will be convened at 1:30 p.m. on Monday May 17, 2010, immediately prior to the Special Board Meeting.

Original was signed and  
approved on May 24, 2010  
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George Stockton, Secretary

ATTEST:

Original was signed and  
approved on May 24, 2010  
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W.D. Knutson, President

Other Business

Adjourn @ 4:08  
p.m. to Special  
Meeting on 17  
May 10 @ 2:00  
p.m.

Next meeting:  
17 May, 2010