

**MINUTES OF THE REGULAR ADJOURNED MEETING
OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT
August 28, 2015**

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 Friday, the 28th day of August, 2015.

**Regular Adj.
Meeting
8/28/15**

1. ROLL CALL – DETERMINATION OF QUORUM

President Knutson called the meeting to order at 2:00 p.m. A quorum was present.

**Call to Order
2:00 pm**

Directors Present:

Present: 5

W.D. “Bill” Knutson, President
Ron Watkins, Vice-President
Terry Yasutake, Secretary/Treasurer
Mike Fitzsimmons, Director
Laney Villalobos, Director

Directors Absent:

Absent: 0

None

Others Present:

Others Present

Jeff Scott, General Counsel	Roland Simpson
Linden Burzell, General Manager	Daren House
Lori A. Johnson, Director of Finance	Melinda Houser
Todd Engstrand, Director of Ops. & Engineering	Todd Lower
Gilbert Caballero	Jo Morgan
Bobby Graziano	
Patsy Fritz	

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

**Quorum
Present**

2. PLEDGE OF ALLEGIANCE

President Knutson led those present in the Pledge of Allegiance.

Pledge of Allegiance

3. APPROVAL OF AGENDA

Upon a request by Patsy Fritz, the Agenda was amended by removing Items 2 and 3 from the Consent Calendar for separate consideration.

Approval of Agenda

4. PUBLIC COMMENT

Counsel Scott reminded the group of the historic significance of the Oath of Office, and remarked on the disrespect of the audience to the oath displayed at the last meeting. He then, as a Notary Public, re-administered the Oath to Director Yasutake. Director Villalobos then demanded that Director Yasutake prove where he lives, and in the ensuing discussion Director Yasutake indicated that he would provide the requested information. Director Villalobos accused the General Manager of lying with respect to the matter of a further appeal of the Strub case. The General Manager reaffirmed that no appeal of the Court of Appeal’s recent action was undertaken, and explained again that the Motion for a Re-Hearing was not an appeal. Director Villalobos stated that we don’t need a General Manager or a District Engineer. Roland Simpson questioned the legitimacy of Director Yasutake’s appointment and denied that his efforts to remove a majority of the board by means of the recall process were motivated by personal animosity toward the General Manager. Mr. Simpson also continued his complaint of not getting to speak and not getting his questions answered. Counsel Scott reminded him again that the Public Comment period on the agenda was for comments and not a question and answer time.

Public Comments:

5. ELECTION OF OFFICER – Secretary/Treasurer

Upon the call of President Knutson for nominations for Secretary/Treasurer, Director Fitzsimmons nominated Director Yasutake; there were no other nominations. The motion was seconded by Director Watkins and approved upon the following roll call vote, to wit:

Election of Secretary/ Treasurer – Yasutake

AYES: Fitzsimmons, Watkins, Yasutake, Knutson
NOES: Villalobos

ABSTAIN: None
ABSENT: None

President Knutson appointed Vice-President Watkins as alternate director for Yuima's ACWA/JPIA Representative that was vacated by former Director Stockton's resignation. President Knutson also appointed Director Yasutake to the Employee Recognition Committee which was also vacant for the same reason.

I. CONSENT CALENDAR

Director Fitzsimmons moved approval of the Consent Calendar subject to the amendment of the draft Minutes of the Special Meeting of August 20, 2015 to include the words "including Director Villalobos" in the description of the events surrounding the administration of the Oath of Office to Director Yasutake. The motion was seconded by Director Watkins and the Consent Calendar, consisting of the *Approval of the Minutes of the Regular Adjourned Meeting of July 31, 2015 and the Special Meeting of August 20, 2015* was approved by the following roll call vote, to wit:

AYES: Fitzsimmons, Watkins, Yasutake, Knutson
NOES: None
ABSTAIN: Villalobos
ABSENT: None

II. SPECIAL REPORTS

1. Joint Powers Fire Report

No report. Chief Williamson and Capt. Johnson were unavailable due to a fire.

III. ACTION/DISCUSSION

1. Approval of Accounts Paid and Payable & Reporting under Government Code §53065.5 for July, 2015; Acceptance of Monthly Financial Reports – July Treasurers Report and June and July Cash Statements

After discussion of comments and questions posed by Patsy Fritz concerning the history of the District's cash reserve position, and Directors Villalobos's questions regarding the cash statement and balances, and whether the final totals include costs of the Strub litigation and if the plaintiff's legal costs were

**Other
Committee
Appointments**

**Consent Calendar
Approved:**

**Regular & Special
Meeting Minutes –
7/31/15, & 8/20/15**

**Accts Paid &
Payable;
Financial
Reports - July**

included. Director of Finance Johnson explained the components of the cash statement and explained the plaintiff's legal costs were not a liability of Yuima and therefore not reflected on the financial statements. Director Watkins moved approval of these two items previously removed from the Consent Calendar. The motion was seconded by Director Fitzsimmons, and approved by the following roll call vote, to wit:

AYES: Fitzsimmons, Watkins, Yasutake, Knutson
NOES: None
ABSTAIN: Villalobos
ABSENT: None

**Res. #1631-15
Opposing a
Public Goods
Charge on
Water**

2. Resolution in Opposition to a Public Goods Charge on Water

Upon a motion by Director Watkins, seconded by Director Fitzsimmons, , Resolution No. 1631-15 *Opposing a Public Goods Charge on Water* was approved by the following roll call vote, to wit:

AYES: Fitzsimmons, Watkins, Villalobos, Yasutake, Knutson
NOES: None
ABSTAIN: None
ABSENT: None

3. Resolution Making Findings for the Emergency Replacement of Potable Public Water Supply Well IDA No. 20 and Ordering a Notice of Exemption to be Filed with the County Clerk of the County of San Diego.

**Res. #1632-15
CEQA
Exemption for
Well 20
Replacement**

Director Villalobos voiced opposition to the replacement of IDA Well No. 20, saying that the remaining wells were adequate to assure delivery of the full Strub allotment. District Engineer Engstrand, together with General Manager Burzell, stated that without the full complement of the five allowed River Wells, it would not possible to deliver the Strub quota during the late spring, summer and early fall months when the demand for the water exists even if basin levels increase this winter. District Engineer Engstrand also confirmed to Director Villalobos that there was no "thingy" that could be placed in the well, and there was no other remedy other than full replacement. After discussion and upon a motion by Director Watkins, seconded by Director Fitzsimmons, Resolution No. 1632-15 *Making Findings for the Emergency Replacement of Potable Public Water Supply Well IDA No. 20 and Ordering a Notice of Exemption to be Filed with the County Clerk of the*

County of San Diego was approved by the following roll call vote, to wit:

AYES: Fitzsimmons, Watkins, Yasutake, Knutson
NOES: Villalobos
ABSTAIN: None
ABSENT: None

4. Resolution Approving Plans & Specifications, and Other Contract Documents for, and Invitation for Bids for Drilling an Emergency Replacement Domestic Water Well (Emergency Replacement and Destruction of Existing IDA Well No. 20: Pilot Hole and Cased Well

Upon a motion by Director Fitzsimmons, seconded by Director Watkins, Resolution No. 1633-15 *Approving Plans & Specifications, and Other Contract Documents for, and Invitation for Bids for Drilling an Emergency Replacement Domestic Water Well (Emergency Replacement and Destruction of Existing IDA Well No. 20: Pilot Hole and Cased Well)* was approved by the following roll call vote, to wit:

AYES: Fitzsimmons, Watkins, Yasutake, Knutson
NOES: Villalobos
ABSTAIN: None
ABSENT: None

5. Resolution Approving Entry into Agreement to Retain San Diego County Farm Bureau to Prepare a Joint Agricultural Water Management Plan.

After discussion that included reporting that the SDCWA Board of Directors did approve Yuima's request for the additional allocation of water at their August 27th meeting, and upon a motion by Director Fitzsimmons, seconded by Director Watkins, Resolution No. 1634-15 *Approving Entry into Agreement to Retain San Diego County Farm Bureau to Prepare a Joint Agricultural Water Management Plan* was approved by the following roll call vote, to wit:

AYES: Fitzsimmons, Watkins, Villalobos, Yasutake, Knutson
NOES: None
ABSTAIN: None
ABSENT: None

6. Resolution Adopting Pass Through Water Rates for the 'Loss of Local Supply' Allocation from the San Diego County Water Authority and the Allocation of the Additional Loss of Local Supply Adjustment.

**Res. #1633-15
Bid Docs for
Well 20A**

**Res. #1634-15
Agricultural
Water Mgmt.
Plan – Farm
Bureau**

**Res. #1635-15
Pass-Thru
Water Rate for
Loss of Local
Supply
Adjustment &**

After discussion and upon a motion by Director Fitzsimmons, seconded by Director Watkins, Resolution 1635-15 *Adopting Pass Through Water Rates for the 'Loss of Local Supply' Allocation from the San Diego County Water Authority and the Allocation of the Additional Loss of Local Supply Adjustment* was approved by the following roll call vote, to wit:

AYES: Fitzsimmons, Watkins, Villalobos, Yasutake, Knutson
NOES: None
ABSTAIN: None
ABSENT: None

7. Discussion Regarding Wholesale Water Service Agreements (Possible Action)

After preliminary discussion of the issue, no action was taken, and the matter was deferred to the September meeting following input from the agencies affected.

8. San Diego Local Agency Formation Commission (LAFCO) Call for Nominations for LAFCO's Independent Special District Member

There were no volunteers. No Action taken

9. ACWA Committee Appointment Nominations for the 2016-2017 Term.

There were no volunteers. No Action taken

IV. INFORMATION/REPORTS

IV-1. Board Reports/Meetings

- President Knutson that there were no actions by ACWA/JPIA to report.
- Vice President Watkins reported that the Water Authority Board's Water Planning Committee unanimously approved Yuima's request for an additional Loss of Local Supply Adjustment. As with most issues brought before the 36 member Board, much of the discussion and analysis takes place in committee. The favorable staff report and the unanimous support of the Member Agency General Managers was critical to approval. The latest data on the developing El Niño

adoption of a pass through rate

Wholesale Agreements – No Action

LAFCO Election:

No Nominations

ACWA No Nominations

indicates a flattening out of key temperature trends. There is some growing support for the proposal to develop a grant funding program to promote high-density water-efficient agricultural practices, similar to the grant program for turf removal.

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

Manager Burzell called the board's attention to the Capital Improvement Program reports. There were no questions.

Capital Improvements

IV-4. Operations Report

Director Fitzsimmons inquired about the vandalized water service meter at the end of Rincado. Staff stated that a Sheriff's report was made and the matter has been turned over to their office for investigation.

Operations & Engineering Report

IV-5. Counsel's Report.

Counsel Scott made no additional report.

Counsel's Report

IV-6. Finance Report

Director of Finance Johnson reviewed the delinquent accounts listing and stated there are no concerns at this time. The 12 month report was presented. She stated that sales were 11% under budget projections and total expenses were 12.5% less than projected. This correlates directly to the cost of purchased water from the San Diego County Water Authority.

Finance Reports

12 mo. Budget Report @ 6/30/15

Director of Finance Johnson stated that Dresselhaus Survey has completed the site surveys and legal descriptions for the three above ground facilities in IDA.

IDA Above ground facilities requiring easements

Staff will work with the property owners on the easement documents.

She stated that staff has completed the invoicing for the overplanting in IDA requiring Special Connections. As approved by the Board at the last meeting, the additional acreage was invoiced at the \$2,500 per acre rate instead of the new \$8,400 per acre. A final report will be presented to the board at the next meeting.

IDA Plantings requiring special connections

V. OTHER BUSINESS

**CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation
Litigation pursuant to Government Code Section 54956.9(a)**

Closed Session

Name of Case: Strub v. Palomar Mutual Water Company – San Diego Superior Court Case No. 162650. In the Court of Appeal of the State of California Fourth Appellate District, Division 1: Rancho Pauma Mutual Water Company v. Yuima Municipal Water District.

The Board entered Closed Session at 4:55 p.m. and re-entered open session at 5:16pm.

REPORT AFTER CLOSED SESSION

President Knutson announced that the Board unanimously agreed to not pursue a further appeal of the Strub case.

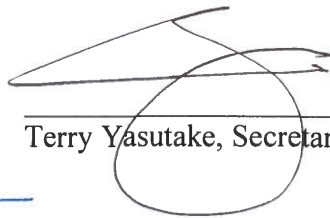
No further action in this case.

VI. ADJOURNMENT

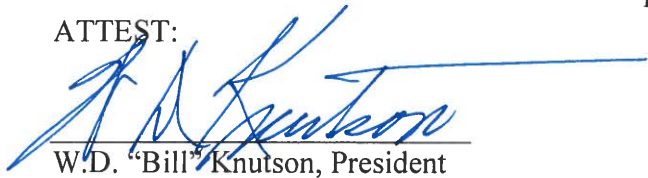
There being no further business to come before the board, President Knutson declared the meeting adjourned at 5:18 p.m. The next meeting of the Board will be held on Monday, September 28, 2015 at 2:00 p.m.

Adjourn @ 5:18 p.m.

Next meeting:
Monday,
September 28 @
2:00 pm



Terry Yasutake, Secretary

ATTEST:


W.D. "Bill" Knutson, President