

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
YUIMA MUNICIPAL WATER DISTRICT  
Monday, July 25, 2016**

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 25<sup>th</sup> day of July, 2016.

**Regular Meeting  
7/25/2016**

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

President Knutson called the meeting to order at 2:01 p.m.

**Call to Order  
2:01 p.m.**

Directors Present:

**Present 4**

W.D. “Bill” Knutson, President  
Ron W. Watkins, Vice-President  
Laney Villalobos, Director  
Roland Simpson, Director

Directors Absent:

**Absent: 1**

Yasutake

Others Present:

**Others Present**

Lori A. Johnson, General Manager  
Amy Reeh, Finance Manager  
Scott Groters, Operations Manager  
Daren House  
Doug Anderson  
Engineer Chapman, Cal Fire

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**

No changes to the Agenda were proposed.

#### 4. Public Comments

President Knutson opened the public comment period, noting that comments regarding specific agenda items would be taken up when those items are being considered. There were no members of the public present wishing to speak.

**Public  
Comments:**  
None

President Knutson presented the Certificate of Achievement for Excellence in Financial Reporting by the Governmental Finance Officers Association for Yuima's 2015 Comprehensive Annual Financial Report (CAFR). She stated that Finance Manager Amy Reeh did an excellent job in compiling the report and certainly deserves the recognition. The Board Congratulated Manager Johnson and Finance Manager Reeh for the 2015 Award of Financial Reporting stating this is the 8<sup>th</sup> year the District has been recognized for an outstanding report.

2015 CAFR  
Award

#### I. CONSENT CALENDAR

Director Villalobos requested to have consent items 4 through 6 pulled from consent for further discussion.

**Consent  
Calendar  
Approved:**

Director Watkins moved approval of the Consent Calendar items 1 through 3 consisting of the *Minutes of the June 27, 2016 Regular & Special Meetings; Minutes of the July 18, 2016 Special Meeting; Accounts Paid & Payables for June 2016; Treasurers Report and Draft Cash Statement for the month of June 2016*. The motion was seconded by Director Knutson and was approved upon the following roll-call vote, to wit:

Minutes of the June 27,  
2016 Regular Meeting;  
Minutes of the June 26,  
2016 Special Meeting;  
Minutes of the July 18,  
2016 Special Meeting;  
Accounts Paid and  
Payables for June 2016;  
Treasurers Report and  
Draft Cash Statement  
for the month of June  
2016.

Director Villalobos asked about the District's internal control systems in place as they relate to the District's bank accounts, deposit procedures, check issuing and signing. Manager Johnson reviewed the current internal control policies with the Board, indicating that the person who does deposits, does not issue checks or perform bank reconciliations, the person who issues checks does not prepare bank deposits or sign checks and all checks require dual signers. Manager Johnson also explained that it is part of the audit process each year to review internal controls and that our internal controls have been reviewed and approved by our independent auditor

Director Villalobos moved approval of Consent Calendar Items 4 through 6 consisting of *Resolution No. 1688-16 Authorizing signers on all of the Accounts with CB&T and rescinding Res. No. 1656-16; Resolution No. 1689-16 Authorizing signers on the Wire Transfer Authorization with CB&T and rescinding Res. No. 1610-15; Resolution 1690-16 Authorizing signers on the Local Agency Investment Fund (LAIF) and rescinding Res. No. 1611-15.* The motion was seconded by Director Simpson. Manager Johnson requested approval of roll call. All Consent Calendar items were approved upon the following roll-call, to wit:

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

## II. SPECIAL REPORTS

### 1. Joint Powers Fire Report

Engineer Chapman reported that Capitan Silva is currently out of town helping on a fire. It was also reported that Cal Fire has experienced increased medical aid calls which is normal this time of year due to summer time traveling. There has also been an increase in fire and smoke check calls that usually require suppression of a minor fire. These calls also increase during the summer due to the heat and continuing drought conditions. Currently there is active weed abatement being performed in the area to help reduce the risk of fire. It was also reported that additional funding has been approved in Sacramento to hire more resources in the area for fire control as many of the area battalions are being diverted to other areas in California to help on large fires.

Res #1688-16  
Authorizing signers on  
all of the Accounts with  
CB&T and rescinding  
Res. No. 1656-16.  
Resolution No. 1689-16  
Authorizing signers on  
the Wire Transfer  
Authorization with  
CB&T and rescinding  
Res. No. 1610-15.  
Resolution 1690-16  
Authorizing signers on  
the Local Agency  
Investment Fund  
(LAIF) and rescinding  
Res. No. 1611-15

Cal Fire Report

are in currently and Drought Level 1 and if Yuima would now be issuing permits for new meters. Manager Johnson explained that Drought Level 2 requires County and State authorization to be implemented and that the drought level does not change the moratorium the Board has in place on new meters due to the District's system capacity. Director Watkins moved approval of the resolution declaring a Drought Response Level 1 Drought Alert Condition. The motion was seconded by Director Simpson and approved upon the following roll-call vote, to wit:

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

2. Proposed Resolution amending Appendix "A" and "B" of the Conflict of Interest Code and Rescinding Resolution No. 1168-08

Manager Johnson stated the amended document updated the position title from Director of Finance to Finance & Administrative Services Manager and adds the Operations Manager position as a required filer. Director Watkins moved approval of Resolution No. 1692-16 amending Appendix "A" and "B" of the Conflict of Interest Code and rescinding Resolution No. 1168-08. The motion was seconded by Director Villalobos and approved upon the following roll-call vote, to wit:

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

3. Proposed Resolution authorizing execution of Right of Entry Agreement with the San Diego County Flood Control District

Upon motion offered by Director Watkins, and seconded by Director Simpson approval of Resolution No. 1693-16 *Authorizing Execution of Right of Entry Agreement with San Diego County Flood Control District* was carried unanimously by the following roll-call vote, to wit:

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

Res. No. 1692-16  
Amending Appendix  
"A" and "B" of the  
Conflict of Interest  
Code and Rescinding  
Res. No. 1168-08

Res No. 1693-16  
Authorizing execution  
of Right of Entry  
Agreement with the  
San Diego County  
Flood Control District

#### IV. Information/Reports

NOES: None  
ABSTAIN: None  
ABSENT: Yasutake

#### **IV. Information/Reports**

##### IV.-1 Board Reports/Meetings

President Knutson had no information to report from JPIA this month.

**JPIA Report:  
None**

Director Watkins briefly reported on the ongoing lawsuit between SDCWA and the Metropolitan Water District (MET) stating that MET is still charging fees that were ruled illegal and that the lawsuit only covered 14/15 charges. A new lawsuit may come about to encompass charges occurring since that time. He stated the CWA August board meeting will be on July 28<sup>th</sup>.

**SDCWA**

Manager Johnson reported that the next GSA meeting will be August 3<sup>rd</sup> at the Rincon Tribal Hall. She stated that members from the State Water Resources Control Board and the Department of Water Resources will be on hand to tour the Pauma Valley Groundwater Basin and the areas past Frey Creek, the area where Oceanside and the County have filed a basin boundry modification, to Pala reservation. She will be attending the tour to better understand the Tribes concerns with the boundary modification. She stated that the Board of Supervisors will be meeting on the 3<sup>rd</sup> to consider filing as the GSA over the medium priority designated groundwater basins in San Diego County. Manager Johnson is currently working with all the Tribal leaders to build a working relationship as well as with all stakeholders in the Pauma Valley Groundwater Basin.

**GSA Meetings**

##### IV.-2 Administrative Report

Manager Johnson reported that she and Operations Manager Groters have met with all the Mutual water companies and discussed the operating plan and the specific times for ordering water to help manage the District's flows. Manager Johnson gave a brief synopsis and status of the grant applications. There are some questions for Lazy H board to address that has bearing on the Yuima Grant.

**Administrative  
report**

IV.-3 Capital Improvement Program

Manager Johnson reported that all 15/16 Capital Projects have been completed.

Capital Projects

IV.-4 Operations

Operations Manager Groters reviewed the operations report, highlighting the new pipeline installed by Yuima staff to take IDA fan well water directly to Tank 8. Part of this installation included the relocation of the Eastside CL2 Facility to treat the IDA fan well water prior to entering Tank 8. In addition, this provides for better blending of the higher nitrate water. Staff was commended on a job well done.

Operations Report

IV.-5 Counsel

Counsel was not present.

Counsel:  
None

IV.-6 Finance & Administrative Services

Finance Manager Reeh reviewed the delinquent accounts listing. Manager Johnson reviewed the Reserve Fund Balance Projections for June 30, 2016. She indicated that this was a projected draft since the final actual fiscal year-end balances cannot be determined until after the audit final entries have been completed. She stated staff will have the June 30, 2016 figures as soon as audit is wrapped up. Director Simpson passed out copies of prior year Reserve Fund Balance Projections stating they have been received in the past as part of the budget process and questioned way they were not presented. Manager Johnson again stated that the sheets received in the past in June show *projected* for review and illustration purposes. That in the budget presentation in June the projected beginning balances were presented. That at this time with limited staff and ongoing training there is just not enough time to prepare some of the reports.

Finance Report

V. CLOSED SESSION

The Board entered Closed Session at 4:36 p.m. pursuant to Government Code Section 54956.8 SDG&E property negotiations.

Closed Session

The Board reconvened to open session at 4:45 pm.

President Knutson stated that staff was given direction to contact SDG&E.

**IV. ADJOURNMENT**

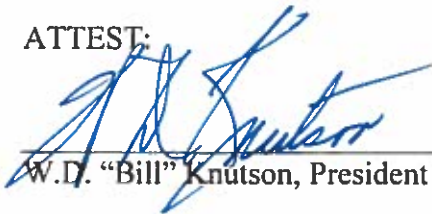
There being no further business to come before the board and upon a motion to adjourn the meeting offered by President Knutson, seconded by Director Villalobos and carried unanimously, the meeting was adjourned at 4:46 p.m.



Terry Yasutake, Secretary

Adjourn @  
4:46 p.m.

ATTEST:

  
W.D. "Bill" Knutson, President