

**MINUTES OF THE REGULAR ADJOURNED MEETING
OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT
April 10, 2017**

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 10th day of April, 2017.

Regular Adj.
Meeting
4/10/17

1. ROLL CALL – DETERMINATION OF QUORUM

President Knutson called the meeting to order at 2:09 p.m.

Call to Order
2:05 pm

Directors Present:

Present: 5

W.D. "Bill" Knutson, President
Ron Watkins, Vice-President
Terry Yasutake, Treasurer
Laney Villalobos, Director
Roland Simpson, Director

Quorum
Present

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

Absent: 0

Directors Absent:

None

Others Present:

Others
Present

Susan Collins Meyer, Interim General Manager
Amy Reeh, Finance Manager
Allen Simon, Operations Foreman
Jeff Scott, District Counsel
Richard Williamson, General Manager Elect
Thomas Shoots, Captain Cal Fire
Nancy Correa, Attorney representing Bar 2 Ranch
Henry Rodriguez, Bar 2 Ranch
Jane Carson, Trustee, Bar 2 Ranch
Daren House, H & H
Doug Anderson, Water Mtn. Ranch

2. PLEDGE OF ALLEGIANCE

President Knutson led those present in the Pledge of Allegiance.

Pledge of Allegiance

3. APPROVAL OF AGENDA

Attorney Counsel Scott requested that the item listed for Closed Session V-1 regarding the appointment and employment of a General Manager be moved to open session under Item III. (Action/Discussion) as an emergency measure, as staff believed that this item would be reported in open session, but the contract needs to be discussed in open session. Motion was so offered to move this item as requested by counsel.

Agenda Approved

4. PUBLIC COMMENT

No speaker requests were received and no other indication to speak was offered by members of the public present.

Public Comment

I. SPECIAL REPORTS

Special Report (Cal Fire)

I-1. Joint Powers Fire Report

Captain Thomas Shoots reviewed the Cal Fire written report, noting that they had 43 responses and 74% of their calls in January were from medical aid resulting from traffic collisions; many of which had to do with the wet weather.

II. CONSENT CALENDAR

Consent Calendar

No items were pulled from the consent calendar. Upon motion being offered by Director Watkins, seconded by Director Simpson, Items II-1 through II-3 on the Consent Calendar were approved by the following roll-call vote, to wit:

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

III. ACTION/DISCUSSION

Re-ordered Item for Agenda Counsel Scott reviewed in detail the final contract as negotiated with Richard Williamson with members of the board and those present, noting that it would be a three (3) year contract commencing on April 17, 2017 at an annual salary of \$160,000 per year. There being no comments presented by members of the board or members of the public motion was offered by Director Watkins,

Re-Ordered Agenda Item

Richard Williamson Contract for General Manager Position

seconded by Director Simpson to approve the Employment Agreement Between Yuima Municipal Water District and Richard Williamson. Said motion carried by the following roll-call vote, to wit:

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

Public Hearing
Director
Compensation

PUBLIC HEARING

1. Public Hearing to Receive Comments and Consider Adoption of the Ordinance Fixing Compensation of Directors and Rescinding Prior Ordinances 112-13 and 115-14 Resulting in Director Compensation.

President Knutson called the hearing to order at 2:31 pm. Finance Manager Reeh reported that the hearing has been duly noticed by publication in the Valley Roadrunner for two (2) weeks, a newspaper of general circulation as required by statute. Secretary Yasutake reported that no written or oral comments have been submitted prior to the hearing. Manager Meyer reported that the board at its last meeting proposed to reduce its rate of compensation from \$206.00 per meeting over four (4) hours and \$103.00 per meeting under four (4) hours to \$100 per meeting over four (4) hours and \$50.00 under four (4) hours. President Knutson added that the board has also proposed to delete director eligibility to health, dental and vision benefits. There being no members of the public wishing to speak, President Knutson declared the hearing closed at 2:40 pm.

Ordinance
No. 124-17
Fixing Director
Compensation

- 1-A. Ordinance Fixing Compensation of Directors and Rescinding Ordinances 112-13 and 115-14.

Upon motion offered by Director Yasutake, seconded by Director Simpson and carried, Ordinance No. 124-17 *Fixing Compensation of Directors and Rescinding Ordinances 112-13 and 115-14* was adopted by the following roll-call vote, to wit:

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

Public Hearing
Fire Mitigation
Plan

PUBLIC HEARING

2. Public Hearing to Consider Adoption of Fire Mitigation Multi-Year Facilities and Equipment Plan

President Knutson called the public hearing to order at 2:50 p.m. and Finance Manager Reeh reported that this hearing was also duly noticed as require by law. Manager Meyer reported that the funds collected from new housing construction is for a plan to construct a Fire Apparatus Building, noting that an average of \$7,000 is being collected each year and the fee will be proposed to collection 100% of the fees allowed which is currently .56 cents per square foot for new residential construction and .15 cents/sf for agricultural buildings. Following further discussion and no written or oral comments presented from the public, President Knutson declared the hearing closed at 3:08 o'clock p.m.

2-A. Proposed 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 Simpson, seconded by Director Watkins, Resolution No. 1726-17 *Adopting the Fire Mitigation Fee Multi-Year Facilities and Equipment Plan for the Yuima, Pauma and Mootamai Municipal Water Districts* was adopted by the following roll-call vote, to wit:

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

3. Proposed Resolution Making the Annual Required Findings of the San Diego County Fire Mitigation Fee Ordinance and Reestablishing a Fire Mitigation Fee Program for Fiscal Year 2017/18

Following discussion and upon motion being offered by Director Simpson seconded by Director Yasutake, Resolution No. 1727-17 *Making the Annual Required Finding of the San Diego County Fire Mitigation Fee Ordinance and Reestablishing a Fire Mitigation Fee Program for Fiscal Year 2017-18* was adopted and carried

Res. No. 1726-17
Adopting Fee for
Multi-Year
Facilities &
Equipment Plan

Res. No.
1727-17
Making Findings
and
Reestablishing a
Fire Mitigation
Fee

unanimously, by the following roll call vote, to wit:

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

4. Proposed Resolution Setting Forth a Schedule of Water Availability Charges Proposed to be Established for the District (2017/18) and Fixing the Time and Place of Hearing and Giving Notice of Hearing

Res. No.
1728-17
Setting Forth
Schedule –
Water Avail. &
Setting Hearing

Following staff report, motion was offered by Director Simpson, seconded by Director Yasutake to levy the Water Availability Charge which collects \$10/acre within the District's boundaries. Resolution No. 1728-17 *Setting Forth a Schedule of Water Availability Charges Proposed to be Established for the District (2017/18) and Fixing the Time and Place of Hearing and Giving Notice of Hearing* was adopted by the following roll-call vote, to wit:

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

5. Proposed Resolution Approving Design, Determining the Wage Scale, and Approving Redrafted Plans and Specifications, and Other Contract Documents for, and Authorizing the Advertisement of Invitation for Bids covering the Construction of IDA Wells No. 51 & 52

Res. No.
1729-17
Approving
Redesigned
Contract Docs.
Advertise Bid
Well 51&52

Manager Meyer regarding the changes made to the contract documents for Wells #51 and #52, which included smaller pilot holes and well casing together with other changes as set forth in the background information of the agenda. Following discussion motion was offered by Director Simpson, seconded by Director Watkins to approved Resolution No. 1729-17 and was passed unanimously by the following roll-call vote, to wit:

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

6. Manager Meyer reported that she as well as Counsel Scott have been in discussion with Rancho Corrido's attorneys from Best, Best and Krieger and although we had arrived at some initial terms for preparation of a draft agreement, they are having to address issues that Bar 2 has concerns with and these may take more time to solve. She said that Owner, Kim Eggleston is anxious to proceed with the annexation and has asked the board to have staff present terms on what a "one for one basis" agreement would look like in terms of dealing with the water quality differential, capital, maintenance and repairs costs as well as blending capabilities. Following further discussion and report from counsel, staff was requested on consensus of the board to study the "one for one" option in further detail, while continuing to work out a water purchase agreement

7. Proposed Resolution Requesting Approval by the San Diego County Water Authority, the Metropolitan Water District of Southern California, and the Local Agency Formation Commission of a Concurrent Annexation to said Agencies (Pauma Valley Water Company) consisting of approximately 154 acres

Proposed Res.
Annexing
Pauma Valley
Water Co.
Tabled

Manager Meyer reported that she has been in discussion with both CWA and MWD regarding a deferral mechanism to allow the agriculture parcels to come into the district along with the domestic parcels, thereby resolving the irregular boundaries that MWD and CWA were not comfortable with. She said that if a deferral arrangement could be made until such time as agricultural owners wanted to build a house or place a trailer on the parcel, they would have to request a "water letter" from the district and at that time the full amount due would be collected for Yuima, CWA and MWD. Metropolitan has an "over time" payment option but has not dealt with this type of request before. Their administrative code does allow for this in the catch all phrase "or as the board may determine". Going through the process however will take time to get an answer. She said that in the meantime, staff continues to work with their engineer NV5 as requested by them in preparation of the improvements necessary, which will be for total buildout. The board agreed to table the matter until such time as these matters have been resolved with CWA and MWD.

8. Discussion was next held regarding a separate class for interruptible agriculture service. Manager Meyer reported that our current moratorium was put into place mainly due to in-flow restrictions of our imported supply. In an effort to satisfy requests for new agriculture service, staff requested discussion of the idea of an interruptible agriculture service. She said that interruption, based on last year's

Discussion Re:
Interruptible
Class of
Agriculture
Service

experience, may be for only 10 days of less during peak demand periods. However, to determine exactly how often such a class might be interrupted is unknown. Any applicant would be required to hold the district harmless from any such interruption. Following discussion, counsel was directed to formulate language for such a class of service and for staff to evaluate whether a rate differential should apply and report back to the board at a later date for further consideration.

9. Proposed Resolution Amending Employee Manual Sections 6, Organizational Chart; 32 Jobs Descriptions and 33 Pay Range Schedule

Manager Meyer reported that in accordance with reorganizing positions within the district the elimination of the Operations Manager position and pay scale and the approval of a new Utility Worker I was recommended. Following discussion, motion was offered to adopted Resolution No. 1730-17 entitled *Resolution Amending Employee Manual Section 6, Organizational Chart; Section 32 Jobs Descriptions and Section 33 Pay Range Schedule* by Director Villalobos, seconded by Director Simpson and carried unanimously by the following roll-call vote, to wit:

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

10. Proposed Resolution Designating Applicant's Agent for Non-State Agencies

Finance Manager Reeh reported that the district has submitted preliminary information to the County to apply for State and Federal funds to replace or restore and in some cases, mitigate future damages. She said that the proposed resolution requires an Agent appointed to act on behalf of the District and the General Manager position has been appointed with the Finance Manager as an alternate. Motion to adopt Resolution No. 1731-17 *Designating Applicant's Agent for Non-State Agencies* was moved by Director Watkins, seconded by Director Villalobos and carried by the following roll-call vote, to wit:

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

Res. No.
1730-17

Eliminating
Ops. Mgr.
Position and
Adding Utility
Worker I position

Res. No.
1731-17

Designating
Agent for FEMA
Funds
Flood Damges

IV. INFORMATION REPORTS

1. Board Reports/Meetings

Information Rpts.

JPIA

JPIA. President Knutson reported that he will be attending the Semi-Annual meeting coming up Monterey on May 8th, 2017 and will have report following the ACWA Conference.

CWA Rpt.

CWA vs. MWD
Rate Challenge

CWA. Director Watkins reported that the 1st District Court of Appeal has set our rate litigation against MWD for oral argument on May 10th for the 2010 and 2012 cases which CWA won challenging MWD's 2011-2014 rates. Under state law, the Court of Appeal must issue its decision no more than 90 days from oral arguments. This means we can expect an appellate decision no later than August 10th. He said the California Supreme Court is the next appellate court and they may not accept it. This would give MWD incentive to start talks about settlement.

NCESP
Operational
Use for Adnl.
Flows from
CWA

NCESP Director Watkins reported that we have a meeting scheduled with the Authority staff on April 18th at the Escondido Headquarters to discuss the Principles of Understanding again as it relates to ownership and depreciation expenses. Manager Meyer said that Engineer Andrews has indicated that with our additional pumping capacity at our Forebay station we should be able to get between 4 and 5 cfs from the NCESP without any additional improvements.

Ad-hoc Personnel
Committee

Personnel Ad-Hoc Committee. Finance Manager Reeh reported that the Personnel Committee Ad-hoc Committee Members, Directors Watkins and Villalobos met earlier today and reviewed information for formulating the draft budget for 2017/18 on which a full board workshop will be held.

GSA

GSA Director Watkins reported that the County does not want to indemnify all of the participants to the MOU. It was thought that if we were to not sign the MOU then we would have to give up our GSA status and not be able to get it back after July 1st but that isn't necessarily so now as long as there is mutual agreement. The County said they would negotiate in good faith as long as there was mutual agreement, which basically means nothing. Mootamai and Pauma Municipal Water Districts are out at this juncture and will participate on a Citizen's Advisory Group. They have no revenues and cannot take on any liability risk. Valley Center will withdraw their application but will stay in the group. The rest, Yuima, ~~Valley Center~~, Rancho Pauma Mutual, and Upper San Luis Rey Resource Conservation District are staying in at this point as there is time for more information to unfold before the plan is due and we don't

see any liability risk until we start to implement a plan.

2. Administrative

The Administrative Report was reviewed by Manager Meyer as well as well as production, well levels and district water purchased reports. She further reported that she has been investigating the repair and distribution of Upper Pettis Catch which has been out of service due to the drought. Manager Meyer also noted that the roundabout construction at S6 and 76 which will begin with the relocation of our pipeline has been held off due to administrative delays in contracts until late June early July. Staff will be evaluating the tie-in times during which our pipeline will be out of service during peak summer demands. Originally this was planned for the beginning of March when demand was low. Also, a copy of AB No. 892 introduced by Assembly Member Waldron amending the Water Code as it relates to water service for the Indian tribes was distributed for review by the board.

3. Capital Improvement Program

There were no comments or questions regarding the Capital Projects Report that was presented in the packet. Director Watkins-Simpson mentioned that he had submitted to staff for discussion in the up-coming budget an estimated for deepening our horizontal Well No. 42 by 400' for the sum of \$43,500 .

4. Operations

The Operations Report was reviewed by Allen Simon noting that irrigation was moderate through the middle of March and we were able to keep up with our local wells until usage increased the last four (4) weeks requiring the purchase of imported water from 4 to 6 cfs. He noted that the district experienced several leaks, mostly small service line leaks, with one large one at Tap 3 which he came upon before anyone was able to report it and it was quickly contained and later repaired. He thanked CDF, who came on the scene shortly after he arrived and was able to help him on the bar to shut off the 12" gate valve. Mr. Simon reported that the Forebay repair work inside the tank to replace a rusted out inlet diverter was completed as well as installing a new vent on the outside of the tank. There are still more repairs to be done when the tank can be taken out of service again during winter months. He said there are a lot of boulders and tree stumps that have buried a couple of our horizontal wells. He has scheduled the week of the 21st to rebuild the access road to it that was damaged and begin the process of digging them out. Finance Manager Reeh noted that the Generator at Eastside Tank

Admin.

Upper Pettis
Catch

Roundabout
@ S6 & 76

AB 892
Muni. Wtr to
Indian Lands

Capital

Operations

caught fire again and she is discussing warranty issues with Gen Set as they had just made an expensive repair for the same problem last year.

5. Counsel

No open session report.

Counsel

6. Finance & Administrative Services

Manager Reeh reported the balance of the delinquent accounts noting the high amount was due to the timing of the meeting. Additionally, she reported that the software conversion is due to start in early May and the completion of the conversion will most likely not be done this fiscal year. In addition to the conversion our technology consultant is currently working on upgrading our website to be compliant with security requirements of our web hosting company, Go Daddy. This upgrade is a result of the website hacking incident in late January 2017. Manager Reeh reiterated the plans to apply for Federal funds to help with the cost of repairing certain facilities that were damaged in the Late January storms. She indicated she has completed the necessary documentation and expects to have a “kick-off” meeting with FEMA in the near future.

Finance & Admin. Services

V. CLOSED SESSION

President Knutson called a closed session at 5:06 o'clock p. m. pursuant to Government Code Section 54956.9(d)(4) – (one case) Conference with Legal Counsel Consideration of Initiation (one case). The meeting was reconvened at 6:50 o'clock p.m. President Knutson announced that Counsel was directed to take appropriate action on potential litigation.

Closed Session

VI. OTHER BUSINESS

President Knutson said that he would be gone on the 24th of April and requested that the board adjourn the meeting to a different time so that he could conference in during a break in his schedule. The board agreed to hold the meeting earlier on the 24th.

Other Business
Time change of next reg. mtg.

VII. ADJOURNMENT

There being no further business to come before the board the meeting was adjourned at 6 54 o'clock p.m. to April 24th, at 12:00 o'clock noon, upon motion being offered by Director Watkins, seconded by Director Villalobos and carried unanimously.

Adjourn to
4-24-17
@ 12 pm



Terry Yasutake, Secretary



Ron Watkins, Vice-President