

Agenda

Regular Meeting of the Board of Directors of Yuima Municipal Water District

Monday, January 22, 2018 2:00 P.M.
34928 Valley Center Road, Pauma Valley, California

AGENDA TOPICS

- 2:00-2:05 P.M.
1. **Roll Call** - Determination of Quorum Broomell
 2. **Pledge of Allegiance**
 3. **Approval of Agenda** – At its option, the Board may approve the agenda, delete an item, reorder items and add an item to the agenda per the provisions of Government Code §54954.2. Knutson
 4. **Public Comment** – This is an opportunity for members of the public to address the Board on matters of interest within the Board’s jurisdiction that are not listed on the agenda. The Brown Act does not allow any discussion by the Board or staff on matters raised during public comment except; 1) to briefly respond to statements made or questions posed; 2) ask questions for clarification; 3) receive and file the matter; 4) if it is within staff’s authority, refer it to them for a reply; or 5) direct that it be placed on a future board agenda for a report or action. Inquiries pertaining to an item on the agenda will be received during deliberation on that agenda item. No action can be taken unless specifically listed on the agenda (Government Code §54954.3) Knutson
 5. **Election of Officers** – Pursuant to Water Code Section 71273, the Board shall elect one of its members president at its first meeting in the month of January of each odd numbered year. The Board may elect officers (President, Vice-President, and Secretary/Treasurer) of the Board at the same time as a slate or individually.
- 2:05 - 2:08 P.M.
- I. **CONSENT CALENDAR**

Consent Calendar items will be voted on together by a single motion unless separate action is requested by a Board Member, staff or member of the audience. Knutson
 1. Approve minutes of the Regular Adjourned Meeting of November 20, 2017.
 2. Approval of Accounts Paid and Payables for November and December 2017.
 3. Acceptance of Monthly Financial Reports - November and December 2017, Treasurer's Report and Cash Statements
 4. Presentation of ACWA / JPIA President's Special Awards for achieving a low number of paid claims and case reserves in both the Property and Liability Programs.

2:08-2:10- P.M.

II. SPECIAL REPORTS

1. Joint Powers Fire Report Bishop
Captain Bishop will be presenting.

III. ACTION DISCUSSION

2:10-3:00 P.M.

1. Consider Approval of the Yuima Municipal Water District's Fiscal Year 2016-2017 Audited Financial Statements and 2016-2017 Comprehensive Annual Financial Report (CAFR). Knutson
Reeh

Background: Staff will present the 2016-2017 financial highlights. Richard A. Teaman, CPA and Rick Gallo, CPA with the audit firm Teaman, Ramirez & Smith, Inc. will present the Audit Report and answer any questions.

Recommendation: That the Board consider approval of the 2016-2017 audited Financial Statements, footnote disclosures and the Comprehensive Annual Financial Report (CAFR).

2. Certificate of Compliance by Yuima MWD as Successor in Interest to Palomar Mutual Water Company for Calendar Year 2017 (Strub). Knutson

Background: Yuima was substituted as successor in interest for Palomar Mutual (IDA), the defendant in the Strub vs. Palomar Mutual lawsuit in 1968 when Palomar Mutual was dissolved. The suit was settled through an Agreement (Stipulated Judgment) which placed certain limits on water taken from the river (1350 a.f./yr.) for use upon lands in IDA and requires yearly certification to the court. In calendar year 2017, we did not meet the limit and were short 182.5 acre feet withdrawing only 1167.5 acre feet from the Rincon Basin for use in IDA.

Recommendation: That the Board authorizes the President and Secretary to execute the accompanying Certificate of Compliance and file it with the court.

3. Proposed Resolution Awarding Contract for Forebay Coating Project. Williamson

Background: The Board approved recoating and rehabilitation of Forebay Tank in the 2017-18 Capital Projects Budget. An inspection of the tank was completed in February 2017 and some emergency repairs to the roof vent were completed. Bid docs were sent out for the remaining repairs and two bids were received. The lowest bid was received from West Coast Industrial Coatings, Inc. in the amount of \$495,000.

Recommendation: That the Board reject all bids; declare an emergency; and authorize General Manager to solicit proposals from three firms for a design and build contract for a new Forebay Storage Tank.

4. Proposed Resolution for Yuima Municipal Water District to Work Cooperatively with the Rincon Band of Luiseno Indians to Review Options and Implementations for Mutual Aid Interties with Their Respective Water Systems.

Williamson

Background: Yuima MWD has received a letter from Tribal Chairman Bo Mazzetti of the Rincon Band of Luiseno Indians requesting that our respective entities explore and implement a new mutual aid agreement and determine the ability to interconnect our water distribution systems to allow for the transfer of water between our systems. The letter from Chairman Mazzetti is attached hereto.

Recommendation: Direct the General Manager to work with the Rincon Band of Luiseno Indians to determine the best locations and arrangements for interties between our respective water systems and cooperatively draft a Mutual Aid Agreement; and bring the products of both these efforts to the Board for approval.

5. District Staff Requests Board Direction to Work with Local, Regional, and State Authorities to Explore Options to Implement Northern Pipeline.

Williamson

Background: During a meeting with Chairman Mazzetti of the Rincon Band of Luiseno Indians, the status of the Northern Pipeline was discussed. We both agreed that the project should be reconsidered given the regulatory and economic environment being faced by all people in the Pala and Pauma areas.

Recommendation: Should the Board agree, direct the General Manager to meet with the Bands of the Luiseno and Mission Indians that are potentially beneficiaries of the Northern Pipeline, and determine the interest in moving forward with the project. Tasks being authorized at this time are predicated on the positive interest of the Indian Bands, and are limited to determine potential financing alternatives and cooperative arrangement infrastructure with the Indian Bands in the Pala and Pauma areas.

6. District Staff Requests Direction / Authorization to Work with the Pauma Band of Luiseno Indians Relative to Water and Fire Service for New Connections.

Williamson

Background: The Pauma Band of Luiseno Indians met with the General Manager on January 18, 2018 to ascertain the potential for the YMWD to provide service for domestic use and fire protection for new homes to be built on the Reservation.

Recommendation: Authorize the General Manager / District Engineer to work with the Pauma Band of Luiseno Indians and their consultants to determine if it will be of mutual interest for the domestic water use and fire flow protection to be provided for the new development on the Pauma Reservation and determine if the Pauma Band is interested in additional extension of services.

7. Discussion / Possible Action regarding Rancho Pauma Consolidation and State Revolving Fund Loan.

Williamson

Background: The Rancho Estates Mutual Water Company has received a grant to construct a new potable water system in their area. The estimated cost of the infrastructure is \$1.3 million dollars. REMWC has requested that YMWD provide

"bridge" financing of the construction costs, as the estimated time for reimbursement of the construction costs by the grant agency is an estimated six months following completion of the work. Staff feels this is an important project for the area, but raises some concerns as to the provision of the potable and non-potable water supplies in the same area by different entities, and the question if the financing by YMWD would be considered a gift of public funds since REMWC is a private entity.

Recommendation: Direct Staff to have legal counsel address the "gift of public funds" issue; determine financing options if the activity would not be considered a gift; bring a policy back to the Board for consideration relative to a standard policy for working with Mutual Water Companies in the area given the impact of the Sustainable Groundwater Management Act, the effect of the local drought on groundwater conditions, and the projected expansion of reliance on imported water within the District boundaries and sphere of influence.

8. Proposed Resolution Amending Rules and Regulations Governing Water Service (Definitions Section 1, Schedule of Rates, Rentals, Fees, Deposits and Charges Sections 14.7; 16.1).

Knutson
Williamson

Background: The San Diego County Water Authority (CWA) adopted new System Capacity Charges and Water Treatment Capacity Charges to be effective January 1, 2018. Both the Capacity and Treatment Charges are assessed to any new meter that is installed within the Yuima General District and forwarded to CWA when collected. These charges cover CWA's cost for Conveyance, storage, and treatment of imported water delivered to Yuima from CWA. Yuima recognizes the need for a rate class for those agricultural customers who are not TSAWR eligible according to CWA's and Yuima's TSAWR Program rules and who have not previously opted out of the TSAWR program. Yuima has developed an Agricultural Interruptible rate for customers who meet the eligibility criteria indicated in the Rules and Regulations Governing Water Service

Recommendation: That, should they so choose, the Board approve the proposed resolution amending the Rules and Regulations Governing Water Service.

9. District Staff Requests Board Direction / Authorization for General Manager to Work with Tony Cinquini to Develop Solar Power Opportunities and Discuss Well 51 Lease or other Agreement.

Williamson

Background: Mr. Cinquini has proposed that the District install approximately 32KW of solar generation capacity at his ranch and YMWD could use the net metering benefit from the generation to offset other electrical costs at meters we would identify. Financing options and more specific project components will be presented by the General Manager at the meeting. Additionally, Mr. Cinquini has expressed interest in utilizing Well 51, which was recently drilled but did not demonstrate sufficient production to warrant the District developing the well. The District would enter into an agreement with Mr. Cinquini or his designee to lease the well from the District under terms and conditions to be negotiated in the future and brought back to the Board for approval.

Recommendation: Direct the General Manager to proceed with exploring the concept of solar generation on Mr. Cinquini's ranch under terms and conditions to be brought back to the Board for approval. Additionally, to negotiate an agreement with Mr. Cinquini or his designee for the lease of Well 51, with final approval brought to the Board.

10. District Staff requests Board Direction / Authorization for General Manager to Pursue a Vendor for Providing new AMR Meters for All District Customers and Production Meters; and to Determine Options for Financing the Improvements. Williamson

Background: A large number of District meters are approaching or have surpassed their useful life. Presently we use "manual read" meters which is fairly labor intensive and subject to occasional misreads which demand additional staff time for rereads and accounting adjustments. It is proposed that the District replace all of its manual read meters with Automatic Meter Read ("AMR") meters. This will save the District measurable labor time in both the field and the office, as well as providing for additional revenue (estimated 7-10%) due to better accuracy achieved with new meters.

Recommendation: Direct the General Manager to ascertain the costs of the meter replacement, anticipated labor savings, revenue enhancements related thereto, and proposed financing of the project; bringing aforementioned information to the Board for final consideration and action.

11. District Staff Requests Discussion / Authorization for General Manager to Sign a Contract for SCADA Repairs and Upgrades not to Exceed \$100,000. Williamson

Background: The District's water system is monitored and managed through an aging twenty-year old SCADA System. It is imperative that to properly manage the water system that the SCADA system become more robust and current with today's technology. The General Manager interviewed three firms to determine which best met the needs for repairing and upgrading the system. It was determined that Tran Controls SCADA Solutions was best qualified for project and was asked to submit a proposal which is included in the Board packet. The total proposed is \$99,750. The work will take approximately 5 months to complete.

Recommendation: That, should they so choose, the Board accept the proposal from Tran Controls SCADA Solutions.

12. District Staff Requests Direction / Authorization for General Manager to Procure Consultant to Develop Plans & Specifications to Replace the Forebay Pump Station and to Research Financing for Project. Williamson

Background: The Forebay Pump Station is the sole connection to imported water from San Diego County Water Authority and is over fifty (50) years old. There have been several occurrences of electrical and pump failure this fiscal year that resulted in critically low water supplies for the valley. It is imperative that this facility is brought up to current operational standards to insure the District's capability to provide imported water to the Pauma Valley area.

Recommendation: That, should they so choose, the Board direct staff to begin development of Plans & Specifications for replacing the Forebay Pump Station.

13. District Staff Requests Direction / Authorization for General Manager to Procure Consultant to Complete Facilities Infrastructure Evaluation and Develop a Critical Facilities Improvement Plan for 2018/19 and Future Budgeting Purposes. Williamson

Background: Recent system failures have brought to light serious deficiencies in district facilities as a direct result of the District's outdated Facilities Plan. In order to develop and budget for a maintenance plan District staff would like to contract with a consultant to determine the most critical facilities and cost estimates for maintenance and repair.

Recommendation: That, should the Board so choose, direct staff to begin development of Plans & Specifications for replacing the Forebay Pump Station.

14. Board Approval of Purchase Order for Tyler Technologies.

Reeh

Background: The Board approved the financial software contract with Tyler Technologies at the August 28, 2017 regular meeting. As per District Purchasing Policy, the Tyler purchase order totaling \$91,526, must be approved by the Board.

Recommendation: That the Board approve the purchase order as presented in accordance with the Tyler Technologies contract.

15. Proposed Resolution Authorizing Entry into Wire Transfer Authorization and Agreement with California Bank & Trust and Rescinding Resolution No. 1689-16.

Reeh

Background: The wire transfer agreements are being updated to add Richard S. Williamson, General Manager and Abigail Champaco, Accountant as authorized individuals to make transfers between the District's Local Agency Investment Fund (LAIF) and the California Bank & Trust Checking account, as well as transfers to District Investment Management companies for fund investing.

Recommendation: That the Board adopt the proposed Resolution.

16. Proposed Resolution Authorizing Checking, Savings, and Investment Accounts with Various Banking Institutions and Rescinding Resolution No. 1759-17

Background: The bank accounts are being updated to add the new Director Don A. Broomell as an authorized signer.

Recommendation: That the Board adopt the proposed resolution.

17. Proposed Resolution Amending Employee Manual Sections 15 Salaries , 31 Employee Appraisal Form, and 33 Pay Range Schedule.

Williamson

Background: The following amendments to update the Employee Manual are:

- a. Elimination of one Water Services Worker II Position
- b. Correction of previously approved Probation Period.
- c. Removal of Compensatory Time Off
- d. Update of Performance Review Forms
- e. Educational and Special Assignment Stipends
- f. Removing Operations Manager title in Stand-By Time Section

Recommendation: That, should the Board agree with the proposed changes that they adopt the resolution as presented.

18. District Staff Requests Approval of a Temporary Administrative Position to Assist the General Manager and Finance Manager

Williamson

Background: Administrative tasks associated with the numerous annexations, consolidations, grants and other administrative tasks such as Board Packets. Staff is requesting the Board to approve a temporary part-time Administrative Assistant position for the remainder of the fiscal year. The position would be a total of 32 hours per week (four 8 hour days) beginning in March. Because the position is temporary it is not a PERS or Health Benefits eligible position. The estimated cost for this position for the remainder of this fiscal year is \$11,790.

Recommendation: That, should the board agree, they direct District Staff to hire a temporary Administrative Assistant.

19. Authorization for General Manager to negotiate and execute an Memorandum of Understanding Secretarial and Bookkeeping Services with the Upper San Luis Rey Resource Conservation District not to exceed \$7200 per year

Williamson

Background: The USRRCD approached the General Manager for emergency assistance for secretarial and bookkeeping services due to the resignation of there current bookkeeper.

Recommendation: That the Board authorize the General Manager to negotiate and execute the Memorandum of Understanding.

20. President's Appointments to Committees

Knutson

Background: The President shall make the assignments to the Employee Recognition Committee and the various standing and ad-hoc committees of the Board. The Employee Recognition Committee is comprised of three members; the General Manager and two Directors appointed by the President of the Board of Directors for a one-year term.

Recommendation: That the President of the Board appoint two elected members to the Employee Recognition Committee for 2018 and make new, or confirm previous, assignments to the various standing and ad-hoc committees of the Board. Current assignments are as follows:

Employee Recognition Committee: Director Simpson, General Manager

Personnel Committee: Director Watkins, Director Villalobos, General Manager

Local Groundwater Committee: Director Simpson, Director Watkins

3:00 - 3:30 P.M.

IV. INFORMATION / REPORTS

1. Board Reports / Meetings

President/JPIA	Knutson
San Diego County Water Authority/MWD	Watkins
Other Meetings (SGMA/GSA)	Watkins

2. Administrative

Williamson

General Information
 Production / Consumption Report
 Well Levels
 District Water Purchased

3. Capital Improvements

Williamson

4. Operations

Simon

General Information
 Rainfall

5. Counsel

Scott

6. Finance & Administrative Services

Reeh

General Information
 Delinquent Accounts
 6 Month Budget Report
 Reserve Balance as of 6/30/2017
 Investment Strategies
 Software Conversion Update
 Form 700 Filing

3:30 - 3:35 P.M.

V. OTHER BUSINESS

1. Set Dates for Future Strategic Planning Meetings

3:35 - 3:45 P.M.

VI. CLOSED SESSION

1. Discuss Future Legal Representation Options
2. Pursuant to Government Code Section 54956.9 (d)(4) - Discussion Possible
Litigation Relative to Implementation of SGMA - (one case)

3:45 P.M.

VII. ADJOURNMENT

NOTE: In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board meeting, please contact the General Manager at (760) 742-3704 at least 48 hours before the meeting to enable the District to make reasonable accommodations. The meeting begins at 2:00 p.m. The time listed for individual agenda items is an estimate only. Any writings or documents provided to a majority of the members of the Yuima Municipal Water District Board of Directors regarding any item on this agenda will be made available for public inspection during normal business hours in the office of the General Manager located at 34928 Valley Center Road, Pauma Valley.

Posting Date: January 19, 2018 at 12:00 P.M.