

Agenda

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

Monday, January 23, 2017 2:00 P.M.
34928 Valley Center Road, Pauma Valley, California

Bill Knutson, President
Ron W. Watkins, Vice President
Terry Yasutake, Secretary/Treasurer

Laney Villalobos, Director
Roland Simpson, Director

AGENDA TOPICS

- 2:00-2:05 P.M. 1. **Roll Call** – Determination of Quorum. Yasutake
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 or action 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 December 16, 2016

2. Approval of Accounts Paid and Payables for November and December 2016.
3. Acceptance of Monthly Financial Reports – November and December 2016 Treasurer’s Reports and Cash Statements.

2:08-2:10 P.M. **II. SPECIAL REPORTS**

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

2:10-3:00 P.M. **III. ACTION/DISCUSSION**

1. Public Hearing to Receive Comments and Consider Adoption of Mitigated Negative Declaration Regarding the Local Ground Water Drilling Program in IDA located in the vicinity of Gregory Canyon and Dunlap Tank Site. (Proposed Wells No.51 & 52) Knutson

A public hearing will be held to hear comments on the proposed Mitigated Negative Declaration Pursuant to the requirements of the California Environmental Quality Act.

Note: The Public Notice has been posted as required for public review. No written comments have been received.

- 1-A. Proposed Resolution Adopting a Mitigated Negative Declaration, Making Findings Regarding Environmental Effects of the Projects, and Authorizing The Filing of a Notice of Determination (IDA Wells No. 51 & 52). Knutson

Background: As part of the Improvement District’s budget this year to bring one more well on-line, the board decided to drill two (2) pilot holes and develop the best one. Three sites were identified by Radar Water. One near Dunlap Tank, another in Gregory Canyon and one in Sycamore Canyon. At the board meeting held November 4, 2016 the board authorized CEQA Documents be prepared and Contract Documents to drill 2 pilot holes in the areas located below Dunlap Reservoir and the Gregory Canyon sites since they had better access. The development of a well in Sycamore Canyon was determined to be done later even though CEQA documents had been prepared for this site as it will entail more work to bring *on-line*.

Recommendation: That should the board over-rule all objections, that the proposed Resolution be adopted.

1-B. Resolution Approving Design, Determining The Wage Scale, and Approving 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

Knutson

Background: Staff prepared contract documents for 2 pilot holes in the Gregory Canyon area and Dunlap Tank area. IDA has budgeted for only one (1) well this year, but documents were prepared to be able to contract for the development of both should both wells turn out good and the board elected to fund the second well.

Recommendation: That the board adopt the proposed resolution approving the contract documents as presented for Wells No. 51 & 52. Bids documents were prepared so that two pilot holes are dug and one or possibly both developed. If it is determined the other site is worthy of development, we can then proceed with development of the second well and the board will have to authorize the transfer of funds from Operating to Capital for this additional well. Bids will be accepted on the basis of the lowest responsible bidder for two pilot holes and the development of two (2) wells. Engineer Steven Andrews will be present at the meeting and will make further recommendations.

2. Consider Approval of the Yuima Municipal Water District's Fiscal Year 2015-2016 Audited Financial Statements and 2015-2016 Comprehensive Annual Financial Report (CAFR)

Knutson
Reeh

Background: Staff will present the 2015-2016 financial highlights. Richard A. Teaman, CPA and Rick Gallo, CPA with the audit Firm of Teaman, Ramirez & Smith, Inc. will present the Audit Report and answer questions.

Recommendation: That the Board consider approval of the 2015-2016 audited Financial Statements, footnote disclosures and the Comprehensive Annual Financial Report (CAFR).

3. 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.

Meyer

Background: As reported last month, Pauma Valley Water Company has been in violation of surface water regulations since 2005 and has been in discussion with Yuima since 2014 for possible annexation. Their only financial resources currently available to them is through the State Division of Drinking Water and their recommendation is to annex to Yuima, CWA and MWD. Their grant will

not fund the parcels that do not currently have houses on them. Only domestic parcels will qualify for their funding. Therefore, they are proposing a boundary that will include “islands” served with a new pipeline installed to district specifications, while others that are not currently receiving domestic service will be designated “agriculture only” parcels and will receive water from their existing private water system. Because we are still in a Level 2 Drought Alert this territory can proceed with its request for annexation under current policy as it has been determined that it can provide District additional water resources offsetting the net water demand impact for the CWA, MWD and LAFCO may be willing to accept this “less than perfect” delineation of our boundaries, due to health and safety concerns as long as Yuima approves it. This area is considered within our sphere of influence.

Recommendation: That the board determine, for public relations and health and safety reasons whether boundaries should be drawn as stated above. Staff is not making any recommendation at this time, but will report and answer questions for board discussion.

4. 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 (Rancho Corrido RV Park, Inc. (APN 130-040-16) Approximately 31.29 acres Meyer

Background: Rancho Corrido RV Park is located adjacent to Yuima’s boundaries, southwest of Adam’s Drive. Their wells are high in nitrates and they also have applied for and will receive Disadvantaged Community grant funding for a dual system. The State Department of Drinking Water and County have recommended annexation to Yuima. Owner, Kim Eggleston has made the initial request and has sent the required deposits for Yuima as well as that required by CWA, MWD and LAFCO to start the process. This will serve approximately 100 current units, but the study will include ultimate build-out. This parcel has a portion of the acreage in flood plain areas. Owner may be looking into County “restricted/conservation or open space” easements that would delineate areas that the board could determine be excluded from the parcel annexation. However, Owner desires to proceed with the entire parcel annexation as it may not be able to be separate, would take time and may not be allowed by the agencies. This parcel is also able to off-set the demand by adding a new water resource as one of the conditions. This area is considered within our sphere of influence.

Recommendation: That the board consider the adoption of the proposed Resolution.

5. Proposed Resolution Adopting Agreement for Use of Hegardt Reservoir and Nate Harrison Canyon Diversion Works for Development of Local Water. Meyer

Background: The Board approved a “hold over” letter of agreement for the Use of Hegardt Reservoir at its November 17th, 2016 special meeting since the old agreement had expired on October 31, 2016 without our having renewed it prior to its expiration. Humason’s, the new owners of the Chandler property, with whom the original agreement was made, were in the process of refurbishing the reservoir and staff felt that a “hold over” needed to be in place for liability purposes. A new twenty (20) year agreement has been prepared by staff, under the same terms and conditions as under the old agreement with some added clarification regarding the maintenance and upkeep of the reservoir.

Recommendation: That should the Board agree that it is still in the best interest of the property owners within the IDA that the proposed resolution be adopted for the operation and maintenance of Hegardt Reservoir.

6. Certificate of Compliance by Yuima MWD as Successor in Interest to Palomar Mutual Water Company for Calendar Year 2016 (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 2016, we did not meet the limit due to the extended drought and we were short 182.9 acre feet withdrawing only 1167.1 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.

7. Proposed Resolution Authorizing an Increase in the Commercial Security and Business Loan Agreement with California Bank & Trust for ACH Transactions and Rescinding Resolution No. 1625-15 Reeh

Background: In order to accommodate additional users and higher water bill payments through the District’s Direct Payment Program an increase in the District’s security limit with California Bank & Trust is required. This raises the maximum limit from \$148,938 to \$235,746.

Recommendation: That Board approves the resolution as presented.

8. Proposed Resolution Declaring Certain District Capital Assets Surplus Meyer

Background: It has been determined that the District has no further use for certain items on the Capital Asset Listing, namely the 1989 Case Backhoe, and various miscellaneous obsolete items. In accordance with the District Surplus Property Policy, the General Manager recommends the Board declare these items surplus and authorize sale of said property according to the District's Surplus Policy.

Recommendation: That the Board adopt the proposed Resolution.

9. 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 2017 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, Director Yasutake
And the General Manager.

Personnel Committee: Directors Watkins, Director Villalobos and the
General Manager.

Local Groundwater Committee: Director Simpson, Director Yasutake.

9-A. Review of Role of Governing Body

Meyer

"A Governing Boards – Focusing on the Vision" paper as well as the Yuima Organizational Chart are presented as information items only for periodic review by this board.

2:15-3:30 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**

General Information	Meyer
Production/Consumption Report	
Well Levels	
District Water Purchased	

3. **Capital Improvement Program**

Meyer

4. **Operations**

Groters

General Information
Rainfall Record

5. **Counsel**

Scott

6. **Finance & Administrative Services**

Reeh

General Information
Delinquent Accounts
6 Month Budget Report
Cost of Service Study Update
Datastream/Accela software conversion Update
Form 700 Filing

3:30-4:25 P.M. **V. OTHER BUSINESS**

4:25-4:30 P.M. **VI. 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.