

**MINUTES OF THE SPECIAL MEETING (BOARD WORKSHOP)
OF THE BOARD OF DIRECTORS OF
YUIMA MUNICIPAL WATER DISTRICT
June 26, 2015**

The Special 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 26th day of June, 2015.

**Special Meeting
(Board
Workshop)
06/26/15**

1. ROLL CALL – DETERMINATION OF QUORUM

Call to Order

President Knutson called the meeting to order at 12:15 p.m.

Directors Present:

Present: 5

W.D. "Bill" Knutson, President
Ron Watkins, Vice-President
George Stockton, Secretary/Treasurer
Mike Fitzsimmons, Director
Laney Villalobos, Director

Directors Absent:

**Absent: 0
None**

None

Others Present:

Others Present

Linden A. Burzell, General Manager
Lori A. Johnson, Director of Finance
Todd D. Engstrand, Director of Operations & Engineering
Amy Reeh, Accountant
Amber Watkins, RPMWC Admin. Asst.

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

**Quorum
Present**

2. PLEDGE OF ALLEGIANCE

President Knutson led the group in the Pledge of Allegiance.

3. APPROVAL OF AGENDA

There were no additions to the agenda.

4. PUBLIC COMMENTS

President Knutson opened the public comment period, noting that there were no comments from the public.

**Public
Comments:
none**

I. ACTION/DISCUSSION

1. Budget Workshop – Rates & Charges

The board discussed staff recommendations concerning the proposed schedule of rates, rentals, fees, deposits and charges. Staff presented proposed changes to the Rules and Regulation Governing Water Service that reflect decreases in labor costs and adjustments in reimbursement to the District for: service hourly rates; equipment rental; meter installations; turn-off/turn-on fees; meter charges and water quantity charges. Director of Finance Johnson stated these changes are incorporated into the 2015-16 proposed budget. It was noted that the decrease in the hourly reimbursement rate is a result of shifting the 1.5% of the CalPERS pension cost to the employees.

**Budget
Workshop:
Rates &
Charges**

2. Budget Workshop: Water Service and Management Contracts, Recordkeeping and Secretarial Services and Emergency and Support Services Agreements

After reviewing the proposed draft support services agreements with Lazy H Mutual Water Company, the Mootamai Municipal Water District, the Upper San Luis Rey Watershed Authority, the Pauma Valley Mutual Water Company and the Rancho Estates Mutual Water Company, staff noted that there were no changes to the agreement language from the prior year just an adjustment in the rates as a pass through of District cost. The draft agreements were forwarded as presented by staff for final consideration by the board at its Regular Meeting to follow the Budget Workshop at 2:00 pm later in the day.

**Budget
Workshop:
Support
Services
Agreements**

**No changes
proposed to
agreement
language.
Pass through of
District cost for
services
requested**

3. Budget Workshop: Review of the proposed 2015-16 Preliminary Budget

Director of Finance Johnson reviewed the operating budget projections noting that the 2015-2016 draft preliminary budget is a \$9.7 million combined

operating budget, the second largest presented for adoption as well as the highest projected sales due to the drought. As proposed the budget reflects a combined balanced budget and incorporates the loss of local water from drought related reduced safe yields from the District's local wells. The combined budget represents a 9.63% increase in revenues and a 5.4% increase in expenditures over the prior year projected actual. She stated that the expenditure increases are in the area of purchased imported water cost both, volumetric and fixed costs, power and maintenance. She stated the 64% of the expenditures projected in the budget is for purchased water and power cost. The budget reflects a 15% increase in monthly meter charges due to an increase in fixed costs of \$82,000 from the San Diego County and a 1.57% to 3.16% increase in the commodity rates. A \$.44 million dollar combined capital improvement budget was also presented, noting no changes from the presentation in April. After detailed review and presentations by Director of Finance Johnson, the board made no modifications to the staff recommendations to be considered at the Regular Meeting that is to follow the Budget Workshop at 2:00 pm of even date.

II. OTHER BUSINESS

No other business was brought before the board.

Other Business

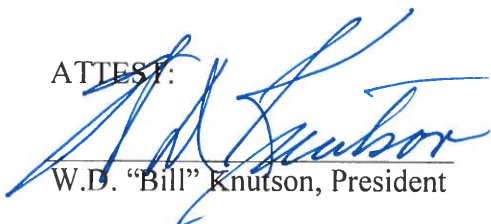
None

VI. ADJOURNMENT

There being no further business to come before the board and upon a motion to adjourn the meeting offered by Director Fitzsimmons, seconded by Director Watkins and carried unanimously, the meeting was adjourned at 1:30 p.m. to 2:00 pm, at which time the board will reconvene as the regular monthly meeting.

Adjourned @
1:30 p.m.

ATTEST:


W.D. "Bill" Knutson, President


Mike Fitzsimmons, Assistant Secretary