

**WYNOLA WATER DISTRICT
BOARD OF DIRECTORS
MINUTES**

**FIRST FISCAL QUARTER MEETING
FISCAL YEAR 2000-2001**

9:00 a.m., Saturday, July 15, 2000
THE MITCHELL RESIDENCE:
1449 SPRINGVIEW ROAD
SANTA YSABEL, CA 92070

1. **Attendance:** The meeting was called to order at 9:08 a.m. Those attending were: George Ellis, President, Malcolm Dyos, Vice President, Robert Gans and Ray Mitchell, Directors. Director Franke was absent. Guests attending were Norman and Dee Bild, Richard and Janet Books, and Pete Miller.
2. **Approval of Agenda:** A request to add item 3. c. To note introduction of the Proposed Budget for FY 2000-2001 and to remove the word "Subcommittee" from item 4.c. A motion to approve the Agenda with noted changes was made by Director Gans and seconded by Vice President Dyos, motion was passed.
3. **Approval of Minutes:** From the meeting of April 15, 2000. Deletion requested on item 8.e. "Insurance." Vice President Dyos stated that this item has been completed. Also, under item 9.g. Vice President Dyos term expires in December not June of 2000. A motion to approve the Minutes was made by Director Mitchell and seconded by Vice President Dyos, motion was passed.
4. **Treasurer's Report:** The Secretary gave a progress report on the change over from manual posting to the new Quickbooks program stating that all the information regarding the District is now in the computer. She requested more time with Ms. Luers for fine-tuning of the operations. This was supported by the Board. Director Gans gave a detailed explanation of the financial pages. President Ellis questioned the large checkbook balance and discussion ensued about the prior talks to move the District's Investment account from Bank of America was discussed at length. The value of utilizing a Credit Union as well as the local Valley Independent Bank. Director Gans volunteered to investigate the possibilities of our utilizing a Credit Union. Should this path prove viable, he suggested our District placing \$50,000 with a Credit Union into CD's with 6-month terms. The

remaining balances would be placed into VIB in the form of \$10,000 in the checking account; \$25,000 in Money Market Account; and the balance in securities with a 6,7, or 9 month maturation depending on which gives the most favorable return. A motion to give Director Gans the authority to reallocate the District funds as noted was made by President Ellis and seconded by Director Mitchell. Motion passed.

5. **FY2000-2001 Budget:** Director Gans gave explanation of the proposed budget with detail to last years accomplishment of working within the Actual vs. Proposed aspects of the budget. The Board discussed the need to pay attention to the increase in electrical charges. Director Gans is to rework the figures based on electrical costs and distribute new copies to Board members. A motion to accept the Proposed Budget as amended was made by Director Gans and seconded by Vice President Dyos.
6. **President's Report:** President Ellis announced that our County Representative, Paul Schlitz resigned from his position in May and the County expects a replacement in the next two weeks. President Ellis distributed copies of a Roster of Home and Lot Owners to the Board. Subdivision lot number, alphabetical by owners last name, and by County Assessor's Parcel Number, sorts this roster. President Ellis requested that the Board Secretary add the telephone numbers to the copies held by each Board member.
7. **Water Systems Report:** In Director Franke's absence, Director Mitchell explained the past quarter's report. It was noted that one well failed its most recent test by the Water Testing Company. It will be retested again on July 17. Director Mitchell noted that the last test failure of any well was in October, 1987. Discussion followed on what the current chlorination schedule is and that the amount of chlorine had been increased from ½ gallon per well to 1 gallon. Richard Books stated that he was aware of more requirements of the County on retesting. Director Mitchell volunteered to research this.
8. **Water Availability Report:** Vice President Dyos reported a minimal loss of 4-½ % of the water produced to what was actually sold. The Board agreed with Director Dyos that this was excellent.

However, the average use per house is up 20%. Discussion followed on the possibility of deepening Well #8. The District will request an estimate from Ransom Pump for this job. Vice President Dyos did state that the capacity produced appears sufficient, the only real risk to our system seems to be during peak demand times. There was discussion regarding installation of a "consumption meter". Richard

Books also recommended frequent check of water levels in each well, stating that the instrument to check costs about \$500.

9. **Water Quality Report FY 1999:** Director Mitchell distributed copies of the Testing Schedule for the next eight years noting date and specific test, and well site. He also distributed copies of the Consumer Confidence Report that contained notes on steps taken to correct any problem areas.
10. **Auditor Selection:** There was a lengthy discussion on the pros and cons of accepting the current auditing firm of Hosaka & Nagel to perform this year's audit. Discussion ensued concerning the level of service provided by the firm as it relates to the amount they charge. Director Gans recommended that the Board give the firm an "engagement letter" with accounting controls. Director Gans volunteered to create the list of specific requirements and Vice President Dyos will provide input. Vice President Dyos strongly suggested that inclusion of volunteer hours be added to further audits. It was also suggested that the new report reviewed, before publication, to be sure that Board Member's names and term expirations are correct. Vice President Dyos made a motion seconded by Director Mitchell, to retain Hosaka & Nagel with these conditions applied. The motion passed.
11. **Annual Renewal of Fixed Charge Tax:** This document is to be submitted by August 10. Current charge per lot owner is \$150 per year. A motion to continue with the surcharge at \$150 per year was made by Director Dyos and seconded by Director Mitchell.
12. **Upcoming Board Elections:** Vice President Dyos has previously stated that he will not seek reelection to his Director position when his term expires 12/00. He also requested to resign immediately from the position of Vice President to ensure continuity of the position for this new Fiscal Year. President Ellis reminded the Board of the high cost to the District to run an election. It was suggested that a letter be distributed to all homeowners announcing the opening of positions and requesting volunteers come forward if interested. Director Gans agreed to fill-in as Vice President until such time as the Board returns to five members and a new Vice President is named.
13. **Well #6 Access Road:** The road currently used for access to Well #6 is not the legal access route to the well. Current owners and future buyers have requested that the Board address this situation. Board discussion recommended the hiring of a surveyor to determine the legal easement and mark it. President Ellis volunteered to contact resident Lee McComb to do this work. A motion to approve this

expenditure was made by Director Dyos and seconded by Director Mitchell. The motion passed.

14. **Surcharge Consideration:** In anticipation of increased electrical charges to run our pumps, a recommendation was made by Director Dyos to look at current rates and make a determination on whether a rate increase is necessary. He did note that the anticipate customer rebate may offset the increase. It was also suggested that this could be a one-time charge or an amortized charge.
15. **Adjourn:** There being no other new business a motion to adjourn the First Fiscal Year 00-01 meeting at 11:48 a.m., was made by Director Mitchell and seconded by Director Dyos, the motion was passed.

Respectfully Submitted,

Robert A. Gans
Secretary

PERMANENT ROAD DIVISION 16
ADVISORY BOARD
FIRST FISCAL QUARTER MEETING
FISCAL YEAR 2000-2001

SATURDAY, JULY 15, 2000
Immediately following the
WWD Director Meeting
THE MITCHELL RESIDENCE
1449 SPRINGVIEW ROAD
SANTA YSABEL, CA 92070

1. **Attendance:** The meeting was called to order at 11:57 a.m. Attending were President Ellis, Acting Vice President Gans, Directors Dyos and Mitchell. Director Franke being absent. Guests attending were Norman and Dee Bild, Richard and Janet Books, and Pete Miller.
2. **Approval of Agenda:** A motion was made to approve the agenda as written by Director Mitchell and seconded by Acting Vice President Gans, the motion was passed.
3. **Approval of Minutes:** A misspelling of Norman Bild's name was noted and corrected. A motion to accept the Minutes of the April 15, 2000 meeting was made by Director Mitchell and seconded by Acting Vice President Gans, the motion passed.
4. **Romero Report:** President Ellis explained for any new visitors the change in name from Community Service Area 16 (CSA 16) to Permanent Road Division 16 (PRD 16) is for the purpose of removing some control from LAFCO over our area. Ultimately the name change has no effect on us, it only serves as a new designation. President Ellis reports that in his discussions with Mr. Romero, the repair to Springview is to be completed before the end of summer. President Ellis speculated that the crew would also be willing to patch and repair any other small areas should they have excess materials.
5. **Adjourn:** A motion was made by Director Mitchell and seconded by Acting Vice President Gans to adjourn this meeting at 12:10 p.m., the motion passed.

Respectfully Submitted,

Joyce E. Gans
Secretary

COVENANTS, CONDITIONS, & RESTRICTIONS
CONTROL COMMITTEE
FIRST QUARTERLY MEETING FY 00-01
SATURDAY, JULY 15, 2000
IMMEDIATELY FOLOWING PRD 16 MEETING
THE MITCHELL RESIDENCE
1449 SPRINGVIEW ROAD
SANTA YSABEL, CA 92070

1. **Attendance:** The meeting was called to order at 12:12 p.m. Attending were George Ellis, President, Robert Gans, Acting Vice President, Ray Mitchell and Malcolm Dyos, Directors. Also present were Norman and Dee Bild, Richard and Janet Books, and Pete Miller.
2. **Approval of Agenda:** President Ellis requested a motion to accept the agenda as submitted. A motion was made by Acting Vice President Gans and seconded by Director Mitchell, the motion was passed.
3. **Approval of Minutes:** President Ellis noted that there were no minutes from April 15, 2000 due to prior request for a special meeting.
4. **Legal Status of Committee:** Acting Vice President Gans expressed regret in not contacting designated law firm, but commits to following up on this action. Discussion on the fact that this Control Committee does not possess the funds to enforce the CC&R's and what suggestions were there to remedy this situation. Richard Books stated that the existing CC&R's were what attracted his family to purchase a home in this area and noted that it is important to maintain them if Wynola Estates is to remain a desirable place to live. Acting Vice President Gans noted that the CC&R's are legal documents, when purchasing in this area, the buyers are agreeing to follow the CC&R's. The CC&R's provide for a committee to govern then and the property owners can vote for a one-time assessment, as long as they agree by a majority vote. It was agreed that the next step was to contact resident Gene Myers as to his research on the subject. Following that, the new CC&R's with additional item about assessment for enforcement should be taken to the residents. To renew the commitment of the homeowners by assessing a one-time initial fee of \$25 per house then \$10 per quarter thereafter. President Ellis is to draft a letter of intent and distribute it to the Board Members for consideration.
5. **Adjourn:** Motion to adjourn the meeting at 12:52 p.m. was made by Acting Vice President Gans and seconded by Director Mitchell, motion passed.

Respectfully Submitted,

Joyce E. Gans
Secretary