

**WYNOLA WATER DISTRICT
BOARD OF DIRECTORS
MINUTES**

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

9:00 A.M., Saturday, October 21, 2000
THE MITCHELL RESIDENCE
1449 SPRINGVIEW ROAD
SANTA YSABEL, CA 92070

1. **Attendance:** The meeting was called to order at 9:10 a.m. Those attending were: George Ellis, President, Robert Gans, Acting Vice President, Robert Franke and Ray Mitchell, Directors. Director Malcolm Dyos was absent. Guests attending were Pete Miller, Paul Lewis, John Minich, Norm Bild and new residents Chuck and Roberta Woods.
2. **Approval of Agenda:** Director Mitchell requested the addition of an item a. under New Business to be the movement of existing Well #8. President Ellis requested adding a new item c. to Old Business to be an update on Board Elections. Original item c. Other Old Business will become item d. A motion was made by Director Franke to accept the Agenda as modified and seconded by Director Gans; the motion passed.
3. **Approval of Minutes:** From the meeting of July 15, 2000. Amend last line of Item 12 to read "Director Gans agreed to fill-in as Acting Vice President until such time as a new Vice President is named." A motion is made by Director Mitchell and seconded by Director Franke to accept the Minutes as amended; the motion passed.
4. **Treasurer's Report:** Director Gans was named Acting Treasurer, since an active Board Member typically holds the office of Treasurer. He then gave the Treasurer's Report. It was agreed that Ms. Gans' title would now be Office Manager. Discussion followed related to lowering the District's electric expenses. President Ellis agreed to research the possibility of a public agency such as ours being able to qualify for a special rate. The yearly audit was discussed, and it was noted that the fee for this audit would appear in the second fiscal quarter's financials.
5. **Budget Amendment:** Director Gans pointed out that a refund of \$1,800 was inadvertently coded to water sales in Fiscal 2000, when it should have been coded as a credit to Water Service Operations. Accordingly, it was moved by Director Gans and seconded by Director

Franke to amend the FY2000-2001 Budget to reduce Water Sales by \$2,000 and reduce Maintenance and Repair by the same amount; the motion passed.

6. **Proposed Transfer of District Money:** Director Gans pointed out that Banc of America Investment Services, Inc. is a brokerage company, and is not the same as Bank of America, a national bank. Our funds with this brokerage institution are not FDIC-insured. Director Gans recommended distributing the District monies in three different accounts:
 - a. Checking Account – Valley Independent Bank: \$5,000-10,000, subject to the needs of the District. FDIC-insured.
 - b. Money Market Account – Soloman Smith Barney: \$25,000, to earn 6.1 % interest. FDIC-insured.
 - c. Certificates of Deposit (CD's) – Soloman Smith Barney: In accounts of \$10,000 each with staggered maturities of 60 to 90 days. FDIC-insured.

The added benefit to this arrangement is the ability to make electronic transfers between VIB and SSB via telephone.

A motion was made by Director Gans to establish these accounts as stated above, subject to getting confirmation in writing from Soloman Smith Barney that they are authorized to handle public funds in this way. Director Franke seconded the motion, and the motion passed. Director Gans will take the lead on establishing these accounts.

7. **Yearly Financial Audit Update:** It was noted that the District's income from Water Sales is less than the cost of providing water services to residents. The difference is made up primarily by property taxes. A list of audit questions, which were posed to the accounting firm, was discussed. The auditors have said that, if they are provided with quarterly financial reports by the District, that the annual audit fee may be somewhat less. Since the accounts are now maintained on Quickbooks, such reports are easily produced, and the Office Manager will provide the auditors with these reports quarterly from now on. Discussion followed concerning the need for an accurate accounting of volunteer hours. It was requested that the Office Manager produce a time-keeping sheet with a breakdown of tasks and their approximate time for completion. The idea of initiating a time-sheet system will be discussed at the next meeting.
8. **Director Reports:** The President's report was deferred to Old Business.

9. **Water Systems Report:** Directors Franke and Mitchell handed out the Quarterly Operation Report, which included by date all major work done by the volunteers. Director Mitchell pointed out that our District is not a member of the 1-800-DIG ALERT system, and noted that it would probably not be beneficial to our District. Water Operation will mark, with approved blue paint, the location of necessary water line information prior to the beginning of any new construction. The issue of Lot 14 excessive water usage during the hottest part of the summer was addressed. President Ellis stated that he had sent a certified letter to the property owners of Lot 14 thanking them for allowing the District to turn off their water during those times of dangerously low water storage. It was noted that the street map that is on file with the County is not accurate in that the streets are shown much wider than they actually are.
10. **Water Usage Policy:** Director Mitchell discussed the need for a permanent policy defining the areas of: Normal Operations; Water Alert Situations; Water Emergency Situations; and the proposed District Actions to each of these situations.
11. **Proposed Water Rate Tier Structure:** Director Franke produced a handout showing a proposal of rate increases based on water usage. It was stated that Well #9 pumps 75% of the District's water and during our last crisis it began to fail. Director Franke pointed out that 12 residents used 50% of the water produced during the last quarter. There followed much discussion over the various aspects of this new-tiered structure, including the price of each tier, what the levels of usage in each tier should be, how many tiers to include, and alternatives to creating this new pricing policy. President Ellis has produced a draft letter to be sent to all property owners. He also suggested a review of the possibility of increasing the Water Availability Fee to all property owners. A motion was made by Director Gans to adopt the following pricing structure for quarterly water use, effective 7/1/2001, as follows (100 cubic feet equals one unit):

TIER #1:	0-200 units	-- \$ 1.30 per unit
TIER #2	201-300 units	-- \$ 2.00 per unit
TIER #3	301 + units	-- \$ 4.00 per unit

Director Franke seconded the motion, and it was passed. President Ellis is to rewrite the letter to the property owners with input from Board Members. He would like the letter to be mailed by December 7, 2000.

12. **Definition of Normal Operations:** Director Gans stated based on a recent letter from County Counsel, as long as the Board has a formal, reasonable, written policy, it can enforce it. The purpose of this policy

is to establish clear definitions of various water status situations, including Board actions to take in each of these situations. Director Franke moved that the Board adopt the Draft Policy with amendments that all paragraphs be formatted the same. The motion was seconded by Director Mitchell, and passed as a District General Policy. President Ellis and Director Gans will rewrite the Draft Policy into formal policy language.

13. **Old Business – Well #6 Access:** Reference was made to a prior letter from the property owner. President Ellis gave an update on his discussions with surveyor Lee McComb regarding lot boundaries and easement locations. The GPS system facilitates the exact location of property boundaries and easements, and Mr. McComb is now ready to go into the field to mark easement and property lines. No action will be taken until all the information is gathered. President Ellis will produce a letter to the property owner listing all of the alternatives regarding access to Well #6.
14. **Update of Legal Options for Water Termination:** County Counsel has given the District a written opinion that the District has the authority to establish and enforce a policy that is fair and equitable to all parties. Specifically, Counsel's opinion states that the District can terminate service for non-payment of water bills or for excessive usage in violation of written policy.
15. **Update on Board Elections:** President Ellis discussed the confusion over filing deadlines, and assured the Board that the County Supervisor for our area has the authority to nominate a Board member. President Ellis will follow through with our County Supervisor to have Director Gans reappointed and to appoint Pete Miller, both terms to commence January 1, 2001.
16. **Other Old Business:** None
17. **New Business – Relocation of Well #8:** Director Mitchell reported that the new site has been selected and witted, and an estimate for Fein Drilling has been received. Mr. Jack McMahan has also prepared a draft letter to the owners of the lot requesting their permission to relocate and drill a new well on their property. The property owner's permission is needed before further action can be taken.
18. **Adjourn:** There being no other new business, a motion to adjourn the meeting of the Second Fiscal Quarter of Year 00-01 meeting at 1:30 p.m., was made by Director Franke and seconded by Director Gans. The motion was passed.

Respectfully Submitted, Joyce E. Gans, Office Manager

PERMANENT ROAD DIVISION 16
ADVISORY BOARD
SECOND FISCAL QUARTER MEETING
FISCAL YEAR 200-2001

SATURDAY, OCTOBER 21, 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 1:33 p.m. Attending were President Ellis, Acting Vice President Gans, Directors Mitchell and Franke. Director Dyos was absent. Guests attending were new residents Roberta and Chuck Woods, Pete Miller, Paul Lewis, John Minich, and Norman Bilt.
2. **Approval of Agenda:** A motion was made to approve the agenda as written by Director Franke and seconded by Director Mitchell, the motion passed.
3. **Approval of Minutes:** A motion was mad to approve the minutes as written by Director Gans and seconded by Director Franke, the motion passed.
4. **Robert Romero Update:** President Ellis informed the Board that the previously scheduled meeting with Mr. Romero has been reset for next Monday, October 23, 2000, at 9:30 a.m. It was noted that the plan was for the Road Division will patch the area on Springview, but lower it to allow for future chip and seal work which will then raise the level. The cost of this is estimated at \$16,000. There is sufficient money in the fund to complete this work if desired. President Ellis also noted that if the Board wishes the entire road system to be done with the chip and seal the cost would be \$60,000. Director Gans made a motion to proceed with the complete chip/seal for all roads in the Estates, when the full amount of money would be available. This would be in the next fiscal year (2001-2002). Director Franke seconded the motion, which was passed. There were no new work projects identified.
5. **Adjourn:** There being no new business a motion was made to adjourn the meeting at 1:55 p.m. by Director Franke and seconded by Director Gans, the motion was passed.

Respectfully Submitted,
Joyce E. Gans
Office Manager

**COVENANTS, CONDITONS, & RESTRICTIONS
CONTROL COMMITTEE**

This meeting was scheduled for November 11, 2000 at the Mitchell home

Agenda is pending