

**WYNOLA WATER DISTRICT  
BOARD OF DIRECTORS  
MINUTES  
THIRD FISCAL QUARTERLY MEETING  
9:00 A.M., Saturday, January 17, 2004  
THE MITCHELL RESIDENCE  
1449 SPRINGVIEW ROAD  
SANTA YSABEL, CA 92070**

1. **Attendance:** President Ellis called the meeting to order at 9:09 a.m. Those attending were: George Ellis, President; Ray Mitchell, Vice President; Robert Gans, Secretary/Treasurer; Ed Huffman, Director; Charlie Woods, Director; and Joyce Gans, Office Manager. Guests attending were: John Minech, Bob Franke, and Norm Bild. President Ellis welcomed all guests.
2. **Approval of Agenda:** Secretary/Treasurer Gans requested the removal of item 3.a. since it appears to be redundant to the next two items. Also, item 4.k was asked to be deleted since he will be covering CC&R issues on a separate agenda. President Ellis requested replacing item 4.k. with a new item calling for a Resolution to designate a Wynola Water District contact for items concerning FEMA and California State matters resulting from the fire. He requested Vice President Mitchell be the initial contact and Director Huffman agreed to be the alternate. A motion to accept the Agenda as amended was made by Director Woods and seconded by Director Gans. The motion passed.
3. **Review/Approval of Minutes of 10/18/03:** Director Gans requested that item 12 be changed to read "...a motion to approve the proposed Charter for the CC&R Working Group..." Vice President Mitchell made a motion to accept the Minutes as amended. Director Huffman seconded this. The motion passed.
4. **Treasurer's Report:** Secretary/Treasurer Gans presented the Financial Reports as of December 31, 2003. He noted that the District seems to be on track based on the 6 months-to-date figures. He also stated that he has moved \$25,000 from the money market account to a 3 month CD due to the more favorable interest rates.
5. **Quarterly Water Usage:** Ms. Gans reported that this past quarter was a typically quiet winter quarter as to usage. Only two homes were over 100 units.
6. **Water Systems Report:** Vice President Mitchell reported that in the week following the fire, the Wynola Water District was the first Water District in the area to have the mandatory "Boil Order" lifted. The water quality report again this month was perfect. There is a water leak at lot #81 that will require professional help in repairing.
7. **FEMA Application:** President Ellis reported that the Wynola Water District is eligible for reimbursement for fire-related losses and damage. FEMA will also reimburse the District 100% of out-of-pocket expenses for getting the system back on line. The organization has a program to provide funds for "Hazard Mitigation" for projects and purchases that will aid in cost reduction in the event of another fire or natural disaster. President Ellis is researching the steps involved in making application for these various funds.
8. **New Well #11 Expense Report:** Vice President Mitchell reported that the drilling phase of this project is complete, and that the new site can produce 100 gallons per minute. He presented a bid for \$48,000 from Segni Construction for the trenching

and related pipe, wire, and line work needed to connect this well into the existing system. Due to the size and expense of the project, the Board decided it needed to receive bids from at least one or possibly two other contractors. The Board will either do a phone conference or have a Special Meeting to select the winning bid.

9. **Repair/Replacement of Hydrants:** Vice President Mitchell distributed a comprehensive review of the damage and a list of all the hydrants and the repairs or replacement parts needed. He has also completed extensive research in finding the suppliers of these parts with the best prices. Excellent job, Ray! Total costs of all replacement parts and repairs are \$2,717.03 plus shipping. If parts were not available due to the extreme age of the hydrants then replacement costs would be about \$4,600.
10. **Well, Water Pipe Easement and Other Surveying:** President Ellis thought it prudent to put this project on the back burner due to the other expenses the District is facing at this time. He felt the total cost to be near \$5,000. The Board agreed that this was still a top 10 topic and that it should be on next quarter's agenda.
11. **Water Access Charge:** President Ellis apologized for this letter not getting out last quarter. This will be done in the next 30 days making the deadline April 1, 2004 for installation of water access costs going to \$5,000 from the current \$2,000.
12. **Designation of District FEMA Representative:** Vice President Mitchell agreed to be our District FEMA representative, to be available to the FEMA organization when they send their representatives for photographs and information. Director Charles Woods agreed to be the alternate contact. A motion appointing Vice President Mitchell as representative and Director Woods as alternate was made by Director Huffman and seconded by Director Gans. The motion passed.
13. **Julian Regional Water Districts:** President Ellis stated that this organization continues to grow in its importance and value to all the water districts in the area. The information that is shared between the districts has proved invaluable more than once. The friendship and cooperation between the districts can only benefit each and every water user. The group is currently in the process of developing a "water loan" program to aid and assist other districts in the area that may have a short-term problem and need assistance in their ability to deliver water.
14. **Review/Discussion of Permanent Well Removals:** Mr. Franke has done an incredibly extensive analysis of electric usage and telephone charges for each well, including a breakdown of the cost of electricity to produce each unit of water. Discussion followed concerning the long history of old and new board members' attempts to have SDG&E explain their pricing structure. Director Gans volunteered to take our old copies of electric bills to SDG&E offices and attempt to unravel the chaos. A motion was made by Director Woods and seconded by Director Huffman to have Vice President Mitchell and Mr. Franke evaluate over the next 6 months, the value of destroying wells # 1, 3 & 8 and to bring to the July meeting a bid or bids for this work. The motion passed. In the meantime, Mr. Franke will research if there is anything we need to consider on wells 3 & 8 before closing them.
15. **Adjourn:** There being no more New Business, a motion was made by Director Huffman to adjourn the meeting at 12:25 p.m.; seconded by Vice President Mitchell. The motion passed.

Respectfully submitted,

Joyce Gans, Office Manager