

APPROVED
Board of Directors
Wynola Water District and
Wynola Estates Fire Safe Council
October 12, 2024, 9:00 a.m.
22135 CA – 79 Santa Ysabel CA 92070

1. **Call to Order 9:04 a.m.**
2. **Roll Call of Board of Directors:**
 - **Jim Madaffer, President-present**
 - **Ron Placa, Vice President-absent**
 - **Brenden Kelso, Treasurer-absent**
 - **Sandie McCann-present**
 - **Steve Kincaid-present**
3. **Additions to the Agenda-none**
4. **Approval of meeting minutes of September 14, 2024**
Motion from Kincaid and second from Madaffer to approve minutes.
Approved 3 Ayes, 0 Noyes, 2 Absent
5. **Public Comment – Opportunity for members of the public to address the Board on matters within the Board’s jurisdiction. People addressing the Board are requested to state their name and address for the record.**
 - **Sandie McCann inquired about the contractor from SDG&E who will be repaving our roads. Jim Madaffer reported that Razors Edge Paving has been awarded the contract for repaving our Wynola Estates roads. Their current plan is to grind the red marked areas on the roads and repave only those marked areas. They had no plans to repave any other area of the roads. Jim reached out to the owner of the paving company and discussed the possibility of repaving the whole road. We are currently waiting for a quote on how much the additional cost to pave the whole road would be. The initial thought was that it won’t be a whole lot more because the traffic control and grinder are already accounted for in the initial bid to Henkels & West, (the subcontractor for SDG&E). Once we get this quote, Madaffer will contact the PRD16, and request the funds accumulated from our property taxes, and use that to help pay the extra cost. Currently, there is \$132,000 available in this fund. If the PRD16 will not allow that funding to be used by us, Madaffer will go to Joel Anderson, our County Supervisor representative, and ask him to override the PRD16 department.**
6. **Treasurer’s Report: Brenden Kelso (Karen Harris will present in Brenden’s absence)**
 - a) **We have a draft budget to approve for the 2024-2025 year.**
The changes in the budget for the upcoming year:
 - i. **The revenue for water sales went up to \$110,000.**

- ii. Our liability insurance is remaining low because we have had no claims.
 - iii. Extra expense was the video equipment purchased to video, via Zoom, our WWD meetings.
 - iv. The Merchant Account fees are the charges we absorb when residents use a credit card to pay their water bills. We lose 1% if a resident charges through QuickBooks and 3% if they charge through their credit card company. Karen Harris is looking into a new billing system, that will be compliant with the state laws. Currently, all billing is stored on the bookkeeper's computer. The new system would allow the ratepayer to log in, see their usage and pay, via credit card, with a usage fee. This would alleviate the merchant fees we currently pay. All information would be stored in the cloud.
 - v. Our Water Operator expenses went up when we hired Tim Guishard. He has had to get us in compliance with the State Water Authority because many reports had not been filed or he had to fix reports that were not done properly. This took many additional hours of work. He has also updated our SCADA system to report more accurately.
 - vi. Repairs and Maintenance will change as we repair wells and close down Well #8. We will need to pay \$25-75,000 to repair Well #10, which has rust and bacteria in the shaft and casing of the well. We think Well #8 is contaminating #10. Stehly Brothers will do the work of repairing or closing down the wells, updating the foundations of the wells and repairing the wells. Well #5 might be reactivated. We had SDG&E run power to all wells, even if they are not currently pumping. This saved us the cost of putting power to them since SDG&E was already doing the underground lines to all the residents.
- b) Current checking, savings and CD's total \$451,650,00. Some of this money will be used to take care of capital expenses and a down payment for a new water treatment system, costing approximately \$1.2 million, which includes a 250,000-300,000-gallon tank capacity.
- i. We will also need to pay the Lopez family to acquire a small easement area for the additional capacity water tank on their property.
 - ii. We are hoping to get grants to help pay for the water treatment system and loans. These reserves will allow us to make a down payment on the system, with the remaining amount due using grant money or loans.
 - iii. Grants that are given usually match funds but take about 5 years to be awarded. If you get a loan, sometimes the loans are forgiven based on receiving a grant.

- iv. The only revenue we receive from the County is through our property tax bills which are \$28,500 per year, or \$2,300 per month.
 - v. First, we would hire a company to do a Prop 218 analysis to validate a rate increase on the property taxes. They will look at the proposed treatment system and what the cost of the final project is, and what we can get a loan for. We will then know what our options are and whether to raise property tax, individual water rates or a combination of both.
 - vi. In order to raise the amount of this revenue, we will need to do a Prop 218 ballot initiative. A ballot would go out to all the residents of Wynola Estates for a vote asking to raise the amount of revenue currently billed to the ratepayers of Wynola Estates. If this passes, the Property Tax bill will be increased to the ratepayer, and we will receive more revenue to help pay for the needed water treatment system. The property taxes are tax deductible. We will not do anything until the ratepayers are fully informed of what the additional cost would be on their property tax bills. This process will take 15-20 months before a vote can take place.
 - vii. To replace the transite water mains would be a \$4-5 million dollar project, that would be a whole separate project after the treatment system has been installed. It would be 3.2 miles of new piping placed alongside the current pipes.
 - viii. We can “nurse” along the current transite piping by installing a pressure reducing station on Lakedale and Riverwood. This would regulate the pressure going downhill to these two streets. This would be at a cost of \$60,000.
 - ix. A motion from Madaffer and second by McCann to adopt the 2024-2025 budget for the Wynola Water District. 3 Ayes/0 Noyes/2 Absent. Motion approved.
- c) CD Renewal: Chase Bank CD of \$250,000 is up for renewal. It was discussed to not renew it for more than 90 days due to the upcoming expenses that the district will have (well repairs and shutdowns). A motion was made by McCann and seconded by Madaffer to approve a 90 day only CD renewal.
3 Ayes/0 Noyes/2 Absent. Motion approved.
7. Office Manager: Karen Kincaid
- a) Two houses are still for sale in the Estates on Springview Road and on Mountainbrook Road.
 - b) We appreciated the free water provided by Henkels & McCoy West due to the contamination of the water from the water main breaks.
 - c) Madaffer contacted Henkels & McCoy West and will be submitting a bill for all the water breaks cost including salaries for Buddy Seifert’s time,

Tim Guishard's time, water loss, emergency texting and other expenses from the five water breaks.

- d) **Henkels & McCoy West will also give us all the CAD drawings of where the underground electrical pipes were placed, where the water pipes are located and where all the water main break repairs were done.**

8. Old Business:

- a) **Report by Board President Jim Madaffer (this will include the actions taken to date since the last Board meeting on September 14, 2024).**

- i. **The WWD has purchased a new battery for the pump house. Hawthorn came and changed the oil, tested the gasoline and recommended that a new battery be installed. Steve Kincaid researched a few companies and decided on American Battery in Escondido. The battery price was \$220.00.**
- ii. **Robin Madaffer is drafting the grant deed easement that the new generator for Well #11 will go on at Ron Placa's property. Ron is donating a piece of his property to house the generator so that another piece of equipment will not impact The Young's property. Well #11 is currently on The Young's property.**
- iii. **Jack Bainbridge did some research for Sandie McCann, our Fire Safety Council president, and found out we do not have any fire roads in the estates.**
- iv. **Buddy Seifert is in the process of returning all of the Zenner meters because they do not work with the Flume Water Monitors. The new compatible meters will only cost \$20 more.**
- v. **Flume has been awarded a state grant to monitor water districts in California. Anyone who would like a Flume Water Monitor can get one for free under the grant rules.**
- vi. **WWD has hired a firm that will set up Office 365, that will house all the documents for WWD. Currently, all documents are on the personal computers of the Board President, bookkeeper and secretary. This new program will allow the records to be transferred and housed safely in the cloud. We will have a new email and billing website that will be accessible to all ratepayers.**
- vii. **The boiled water order was lifted once the water samples were clear. The order lasted about one month.**
- viii. **We received a grant for an emergency generator grant a few months ago. The purchase of the generator and installation will happen in the next six months and will cost \$469,000. This grant also includes cam-lok connectors for well #7 and well #10. The new generator and equipment will allow us to be able to have power if there is a fire, earthquake or any disaster where the power is shut off.**

- b) **Report by WWD Water Operator: Tim Guishard**

- i. **Tim Guishard operates Auerbach Farms, Border Patrol agencies in Tecate and others to name a few. Our WWD has a lot of problems, but with the SCADA program, he has been able to improve our water quality over the last 2 months since he took over.**
- ii. **Our daily usage for the past month has been 21,000 gallons. He has found out through SCADA calculations that well #9 is our best producing well.**
- iii. **We are in the process of replacing the generator on well #9 because SDG&E gave us a generator that was underpowered for what we needed. When EPX turned on the generator, it burned up, so they will need to provide a higher-powered generator.**
- iv. **Water levels are doing good and are consistent.**
- v. **The water pumps in the wells are aerating the water, so Tim is wanting to install a variable free drive to slow down the water in the wells. Slowing the water down in the pumps will give us better water quality.**
- vi. **Wells # 3 and 7 have the lowest iron and manganese levels. By modifying the running of the wells, he has been able to lower the high levels of iron and manganese present in wells #9 and 11. Well #10 was shut down due to E Coli present again in the water.**
- vii. **The State of California is mandating that all water districts have a water treatment system.**
- viii. **The federal government has now mandated that every water district test for lead pipes in their water systems. Tim is working on finding all the water pipes and testing if lead is present. So far, he has not found any evidence of lead piping in the estates.**
- ix. **The State of California has started a new program called the cross-connection control policy. All houses will have to be looked at to make sure there are no cross connections or that backflow preventors have been installed to minimize and contaminations. The back flow preventors must be installed above ground. We have until July 2025 to write a policy for cross connection. Most water agencies must have a back flow preventor at the meter.**
- x. **Everyone should change their filter systems since we have had the E-coli contaminate problem.**

9. New Business:

- a) **Review and approve a Debt Management Policy. We need to have a policy in order to qualify for a grant. We are going to use the same template that the California Water Authority uses. The policy must contain debt payments, debt types, debt use and transparency. A motion was made by Madaffer and seconded by Kincaid to adopt a debt policy and disclosures. Approved 3 Ayes/0 Noyes/2 Absent**
- b) **Review and approve Financial Assistance Application for a financing agreement with the State Water Resources Control Board. A motion was**

made by Madaffer and seconded by McCann to approve the loan financing agreement application. Approved 3 Ayes/0 Noyes/2 Absent

- c) Review and reaffirm previous Wynola Water District Water Rate Resolution in March 2022. Motion was made by Madaffer and seconded by Kincaid to approve this resolution. Approved 3 Ayes/0 Noyes/2 Absent
- d) Approve claim to SDG&E/Tender of Claim to Henkels and West for waterline damage, loss of water and water operator expenses. Motion was made by Madaffer and seconded by McCann to approve this claim. Approved 3 Ayes/0 Noyes/2 Absent
- e) Approve estimated costs associated with Stehly Brothers will restoration efforts. Stehly Brothers did not get us a quote in time, so this will be addressed next month.

10. Motion to adjourn the meeting 10:22 a.m.

Next Meeting: November 9, 2024 (Second Saturday of every month) @ Santa Ysabel Nature Center.