

**WYNOLA WATER DISTRICT
BOARD OF DIRECTORS
MINUTES
FIRST FISCAL QUARTERLY MEETING
FISCAL YEAR 2002-2003
9:00 a.m., Saturday, October 19, 2002
THE MILLER RESIDENCE
1602 OAKFOREST ROAD
SANTA YSABEL, CA 92070**

1. **Attendance:** President Ellis called the meeting to order at 9:30 a.m. Those attending were: George Ellis, President, Pete Miller, Robert Franke, and Robert Gans, Directors, Joyce Gans, Office Manager. Vice President Ray Mitchell was absent. Guests attending were: Gary Gernandt, Norm Bild, and Ed Huffman. President Ellis extended a warm thank you to the Millers for hosting today's meeting.
2. **Approval of Agenda:** Norm Bild submitted a suggestion to President Ellis for inclusion on the Agenda under New Business. The topic pertained to the use of non-potable or trucked-in water for any grading purposes on lots in Wynola Estates. This will be item 6.a. Director Gans questioned the policy of audio taping the meeting proceedings. It was pointed out by President Ellis that the Brown Act has no such requirements of any public agency to tape record its meetings. The Board pointed out that at any time the Office Manager could record the proceedings and then destroy the tapes on completion of the minutes. The Board agreed unanimously to discontinue the taping. Director Gans also questioned the need for the Board to require formal motions with seconds, and with recording in the minutes who made the motions and seconds. He proposed just asking if any Board members were opposed to a particular motion and if so, then a formal vote would be held. At the beginning of the minutes, it would say that, unless otherwise indicated, all motions passed unanimously. President Ellis will research this issue to see if it is allowable and will report at the next Board Meeting. A motion to accept the agenda as amended was made by Director Gans and seconded by Director Miller. The motion passed.
3. **Approval of Minutes of 7/20/2002:** Minutes from the Regular Meeting from July 20, 2002 were reviewed. A motion was made by Director Franke and seconded by Director Miller to accept the minutes as written. The motion passed.
4. **Treasurer's Report:** Director Gans gave a review of the Water District's latest audit. He pointed out three minor errors made by the auditors and stated that he will phone them with the corrections. Director Gans also pointed out that in the report the auditors stated

that the amounts they determined for “Cash in Bank” and “Investments” were identical to the numbers reported to the Board in the internally-generated financial report and budget. Director Gans will be forwarding a copy of the audit to the County of San Diego. For his quarterly report on income and expenses, Director Gans pointed out an area of expense that had not been budgeted for in the formal budget. It was for work on Well #7. This expense as well as the payment of several other bills will account for the projected loss of \$23,000 this quarter. A motion to accept the Treasurer’s Report as written was made by Director Miller and seconded by Director Franke. The motion passed.

5. **Director Reports:** Director Gans went on to report on item 4. c. with his Treasurer’s report pertaining to the placement of District investments. Director Gans stated that he continues to have confidence in the Board’s decision to place its investments with the Soloman Smith Barney firm. Director Gans confers with our broker at least once each quarter to get updates and recommendations from the firm.

President Ellis requested to defer his report to Old Business where most of his items are listed.

Director Franke then proceeded with the Water Systems Report, stating that Vice President Mitchell contributed greatly to this report while still convalescing. Director Franke informed the Board that Well #2 is shut off. After many attempts to keep it running, it was determined that it was mainly pumping mud, so the Water Operations Team decided to shut it down. Director Franke handed out numerous pages of reports on water demand, percentages of usage, demand time, and production. He managed to paint a very concerned picture of the condition of this system for long-term high water production potential.

President Ellis stated that he has found that the Wynola Water District is the only District that does not routinely measure its water levels and suggested that we should begin doing this. President Ellis will research the other districts and find out: how they measure the water levels, how often they take the readings, and how many wells each district is dealing with.

Director Franke presented a graph on gallons per week usage/ demand. This chart clearly showed a gradual decline of our water availability. The system’s capacity has decreased to its current capacity of about one-third of what it was producing. President Ellis suggested that the Board consider convening for another meeting

within 30 days to discuss the issue of overall usage and the problem of excessive usage by certain lots, and the numbers provided by Director Franke appear to indicate an approaching water crisis. President Ellis suggested the Board do more research on the Supply and Demand issue, dividing the Board members to work on each side of the equation.

President Ellis also pointed out that several of the other districts have written and recorded "Rules and Regulations" for water usage that are given to each new homeowner in their district. Director Miller has already begun research on this issue and is contacting the other districts and will combine the best of their lists into one for the Wynola Water District.

6. **Old Business:** Item a. Regarding Board elections, the County of San Diego has notified us that all the paperwork has been received and the Board of Supervisors will make the appointments official at their next meeting. A huge THANK YOU was conveyed to Director Franke, as today's meeting will be his last as an official Director. It was acknowledged by the Board, however, that his continued attendance and input at future meetings would be greatly appreciated.

Item b. President Ellis emphasized the need to enforce payment collection policies, despite the high bills for some lots. Ms. Gans was instructed to monitor closely the incoming water payments. If there are any bills not paid in a timely manner, appropriate action will be taken, including where appropriate, the shut off of the water.

Item c. President Ellis will follow-up on this insurance item.

Item d. Director Franke's excellent job of gathering data and reporting on it helped the Board to appreciate the seriousness of the condition of the water supply.

Item e. President Ellis reported that attending the Julian Regional Water Boards' meetings has been tremendously informative and helpful. All the representatives from the various water districts in the area have been sharing practical advice with each other. There are critical areas we must address; bacteria, and how to remedy its occurrence; storage tank inspections; the possibility of the formation of a Community Water that allows the sharing of water (selling) to any district that is in a water crisis; and the feasibility of developing well locations outside the borders of the Wynola Water District and pumping it to our storage tanks. President Ellis has found that the County is reorganizing their review process. It appears they are losing money trying to watch over all the small water districts so we must

expect significant increases in our current fees, and be ready to pay a surcharge on each well and storage tank the District has. It is quite possible that the current fees will double. In the area of tank maintenance, President Ellis said we should be prepared to flush out the tanks every 5 years and institute some type of cleaning, perhaps with a pool vacuum for maintenance so we are able to see to the bottom of the tank. One district reported that they utilize divers to clean the tank as well as a company that has an aqua video for dry viewing. There are also well video cameras available to view inside the well. The cost to hire the company that does this is about \$600 per well. It appears that our storage capacity compared to how many customers we have is in line with the other districts. At one of the meetings, it was discussed where in the Julian area the highest concentrations of untapped, available water might be found. The areas identified were: Sunrise Highway valley at Hwy 78; Volcan Mountain; and North Peak in Cuyamaca. President Ellis said that the State of California is beginning inspections of water districts. Their recommendations are that a district be able to provide 1 gallon per minute per customer connection. It is believed that with conservation, Wynola Water District has approximately a two-week storage ability. President Ellis stated that he intends to ask Vice President Mitchell to also attend the Julian Regional Water Board meetings when he has finished his convalescence.

Item f. Director Miller has been working on the Emergency Procedures Project. He has been collecting copies of other districts' procedures and will be compiling a suggested outline for Wynola within the next few months.

Item g. Director Miller has received two bids from companies in San Diego for the easement-surveying project to acquire new locations for new wells; the bids are between \$3,000 and \$4,000. Director Miller has requested a bid from a local company, Patrick Engineering and Surveying.

Item h. President Ellis still has not heard back from the owner of Lot #63.

7. **New Business:** New item added to require new construction, landscaping, driveway grading, and remodel of existing structures to use only trucked-in water. No Wynola water is to be used for any of these projects. This item will be voted on next quarter in Old Business.

8. **Adjourn:** There being no other New Business, Director Franke made a motion to adjourn the meeting at 12:11 p.m. Director Gans seconded, the motion passed.

Respectfully Submitted,

Joyce Gans
Office Manager

PERMANENT ROAD DIVISION 16
ADVISORY BOARD
MEETING MINUTES

Second Fiscal Quarterly Meeting
Fiscal Year 2002-2003
Saturday, October 19, 2002
Immediately Following the WWB
Director Meeting
THE MILLER RESIDENCE
1602 Oakforest Road
Santa Ysabel, CA

1. **Attendance:** The meeting was called to order at 12:12 pm. Attending were President Ellis, Directors Franke, Miller, and Gans, also Office Manager Joyce Gans. Director Mitchell was absent. Norman Bild was the only guest.
2. **Approval of Agenda:** A motion was made to approve the agenda as written by Director Franke and seconded by Director Miller, the motion passed.
3. **Approval of Minutes:** Minutes from the PRD 16 meeting of July 20, 2002 were reviewed. A motion to accept the minutes as written was made by Director Miller and seconded by Director Gans, the motion passed.
4. **Update on Chip/Seal of Roads:** Director Franke and Ed Huffman met with Mr. Romero from the County to review the repair of the pothole on Lakedale. Director Franke reported that we are basically satisfied with the job done this year.
5. **Road Liability:** President Ellis reported that when CSA 16/ PRD 16 was originally formed, the County of San Diego took over our roads with prescriptive rights. The criterion for this was that the roads had to meet County and State standards. The roads had to have provided public access for at least the previous five years. This resulted in the removal of liability from an individual property owner if sued by a driver for an accident near their property. The driver may sue the County of San Diego and/or the PRD. The County official told President Ellis that other districts have researched liability insurance for protection but that it is always too expensive for any small district, and the County basically told President Ellis that districts of our size and purpose do not obtain liability insurance.

6. **Adjourn:** There being no new business, a motion was made to adjourn the meeting at 12:18 pm by Director Gans and seconded by Director Miller. The motion passed.

Respectfully Submitted,

Joyce Gans
Office Manager

**COVENANTS, CONDITIONS, & RESTRICTIONS
CONTROL COMMITTEE
MEETING MINUTES**

Second Fiscal Quarterly Meeting FY 2002-2003
Saturday, October 19, 2002
Immediately Following PRD 16 Advisory Board Meeting
The Miller Residence
1602 Oakforest Road
Santa Ysabel, CA

1. **Attendance:** George Ellis called the meeting to order at 12:19 pm. Those attending were George Ellis, President, Pete Miller, Bob Franke and Robert Gans, Directors. Director Mitchell was absent. Norm Bild was the only guest.
2. **Approval of Agenda:** A motion to approve the agenda as written was made by Director Miller and seconded by Director Franke. The motion passed.
3. **Review/Approve Gernandt Request (Lot #70):** Discussion concerning the construction of the proposed home for the Gernandt family on lot 70 and what requirements need to be met. The construction of this home requires the services of a general contractor, and all required inspections are to be done by the County departments responsible just as for any single-family home construction. The Board agreed 4 to 0 that this type of construction is not considered a manufactured home. President Ellis will present the issue to Vice President Mitchell and then report back to the Gernandt family. Director Miller suggested that the Board might want to get the opinion of a Licensed General Contractor as to what professionals consider this type of construction.
4. **CC&R Subcommittee Charter:** Director Gans presented a draft of the Charter. Even though this subcommittee not will be a Public Agency and is not subject to the Brown Act, it was agreed that meetings will be announced and open to the public. President Ellis expressed his concern about the possibility the subcommittee may come into conflict with the Water Board in its role as the CC&R Committee. Director Miller believes that this can be an efficient, independent committee that can function without input from the Wynola CC&R Advisory Committee.

President Ellis recommends that the new subcommittee be constructed in such a way to allow the current Control Committee to resign at a later date when the new subcommittee is running smoothly. In which

case, the new subcommittee will become the official Control Committee of the CC&R's.

Director Gans suggested some reasons why the Wynola Water District and the CC&R committee should retain ties with each other. Examples of overlapping interests are property owners drilling their own wells or constructing their own water storage facilities, landscaping requiring a large amount of water, and the filling and refilling of swimming pools. Director Miller suggested that this issue be addressed in the Rules and Regulations being constructed for the Water District, and that these rules should be compatible with the CC&Rs.

It is important that the Chair of the subcommittee not be a current member of the Wynola Water Board. The proposed Charter states that at least one member of the Water Board be on the subcommittee. The Water Board position could be eliminated at such time as the subcommittee becomes the CC&R Committee. It is the consensus that the number of members on the subcommittee will establish itself soon after the four consecutive meeting requirement is met.

No renters may sit on this subcommittee. The current CC&Rs clearly state that no non-home or lot owner may vote on issues pertaining to CC&Rs, however, renters are certainly welcome to participate. President Ellis is currently working on community letters for all three units with information on the outcome of the voting on the CC&Rs, and he will include copies of the new CC&Rs as well as copies of the proposed Charter for the CC&R subcommittee.

5. **Adjourn:** There being no new business a motion was made to adjourn the meeting at 12:57 pm by Director Franke and seconded by Director Gans. The motion passed.

Respectfully Submitted,

Joyce Gans
Office Manager