

**WYNOLA WATER DISTRICT  
BOARD OF DIRECTORS  
MINUTES  
FIRST FISCAL QUARTER MEETING  
FISCAL YEAR 2001-2002  
9:00a.m. Saturday, July 21, 2001  
THE MITCHELL RESIDENCE  
1449 SPRINGVIEW ROAD  
SANTA YSABEL, CA**

1. **Attendance:** The meeting was called to order at 9:06 a.m. Those attending were: George Ellis, President, Ray Mitchell, Vice President, Robert Gans, Pete Miller and Robert Franke, Directors, Joyce Gans, Office Manager. Guests attending were: Charley and Roberta Woods, Rex and Julia Anderson, Dean Stowers, Malcolm Dyos, Bill Stovall, and Richard Books.

President Ellis extended a welcome to all our guests and thanked them for attending.

2. **Approval of Agenda:** Director Gans requested the addition of item #3.c. for the Approval of the FY 2001-2001 Proposed Budget. President Ellis requested the addition of item #6.f. Establishment of the new FY Water Availability Rate. A motion was made to accept the Agenda, as amended, by Vice President Mitchell and seconded by Director Franke. The motion passed.
3. **Approval of Minutes:** No additions, changes, or corrections were noted. A motion was made to accept the Minutes, as submitted, by Vice President Mitchell and seconded by Director Gans. The motion passed.
4. **Treasurer's Report:**
  - a. Director Gans presented the quarterly report of receipts and expenditures of the District. A motion was made by Director Franke and seconded by Vice President Mitchell to accept the Treasurer's Report as submitted. The motion passed.
  - b. Director Gans gave an update on the transfer of the District Investment account from the Banc of America to Salomon, Smith, Barney. A representative of SSB, Tosh McIntosh, First VP-Investments, gave a brief presentation to the Board regarding the investments and how they would be accomplished. He explained that SSB is a member of Citigroup Organization and that all funds are fully FDIC insured.
  - c. Director Gans gave a brief explanation of the various categories and pages of the Budget for FY 2000-2001 and an overview of the Proposed Budget for FY 2001-2002 with noted changes of an increase the Income column in New Meter Sales of \$5,000 as well as an increase the Expense column in Water & Well testing of \$5,000. A motion was made by Director Franke and seconded by Director Miller to approve the Proposed FY 2001-2002 Budget as adjusted. The motion passed.
5. **Director Reports:** President Ellis deferred giving his report at this time stating that there would be many smaller reports for him to give during the Old Business and New Business portions of the Agenda.
6. **Water Systems Report:** Vice President Mitchell distributed and explained the contents of the current quarterly Water Operation Report. Vice President Mitchell, Director Franke, and Norm Bild, along with other volunteers have, again this quarter,

saved the District a substantial amount of money with their knowledge and expertise. Thank you, Water Operations Committee.

7. **Water Usage/Electricity Usage Reports:** Ms. Gans distributed paperwork showing a comparison between the May/June, 2000 and the May/June 2001 electric bills. A question arose concerning only one meter having a “baseline” amount. Ms. Gans will research this matter with SDG&E and report back at the next meeting. Mr. Books stated that, if we have a choice, we do not want to have any “on demand” meters as the cost to run these exceeds the other type. Ms. Gans then distributed copies of the 100+ unit users. It was noted that usage was down quite a bit over this time last quarter and that no residents came close to entering the second tier of pricing. She will produce this report again for the next quarterly meeting, as this is traditionally the highest usage time.

8. **Old Business:**

- a. Update on Movement of Well #8. President Ellis stated that he has received verbal approval from the owners of this lot. However, receiving approval in writing is proving to be more of a challenge. Vice President Mitchell is gathering together the various costs of this project with information from Fein Drilling. Mr. Anderson pointed out that in his experience, moving a well 65 ft. is generally of little or no benefit in the area of water production. Mr. Anderson offered his expertise in recommending a site for the movement of Well #8. Vice President Mitchell and Director Franke will explore this possibility with Mr. Anderson.
- b. Lakedale Power Line Trimming. President Ellis stated that he had had contact with the crew of SDG&E and actually drove them to the site of the frayed line and pointed out what needed to be trimmed. As of today’s meeting, nothing had been done. President Ellis will follow up on this matter and report back at the next meeting.
- c. Update on Grading Access Road to Well #6. President Ellis stated that the area needed to be surveyed. He has attempted to get into contact with Lee McComb but has subsequently found that he is away for a month. Lacking contact with Mr. McComb, President Ellis will pursue another surveyor to get this project underway.

9. **New Business:**

- a. Notice from the County of San Diego notifying the District that a newly adopted regulation that requires our system to obtain the services of a certified distribution operator. President Ellis requested that the District’s Water Operations Team explore the requirements of this position and report back at the next meeting. They are to determine what the requirements are for this position, and to determine if any of our volunteers meet these requirements. Mr. Rex Anderson and Mr. Richard Books offered that they are both certified for this work.
- b. Membership in the American Water Works Association. President Ellis asked for input from the group concerning the advantages of joining this organization stating that so far the information provided by the Association was superior to that received from ACWA. Many of those present stated that it was a benefit to the District to join this Association.
- c. Review of District Reserves/Retained Earnings. President Ellis requested that Director Gans review the Wynola Water District’s Retained Earnings and Reserves and report back at the next quarterly meeting.
- d. Yearly Financial Audit. Currently the Board has no new audit firms to consider or that have been recommended. Director Gans recommended remaining with the Hosaka, Nagle firm stating that they have been doing a professional job and that

their fees are reasonable. Mr. Dyos suggested that inclusion of volunteer hours be included in this year's audit. A motion to again retain the firm of Hosaka, Nagle was made by Director Franke and seconded by Director Miller; the motion passed.

- e. Approval of Water Availability Rate. President Ellis recommended retaining the current rate of \$150 per lot. President Ellis stated that he would not want to increase this fee without reducing something else, and in reality, the District does not currently need the additional income. A motion was made to retain the existing fee of \$150 per lot by Director Franke and seconded by Director Miller; the motion passed. The Board's intention is to review this matter next year well in advance of the deadline for submission for changes.

- 10. Adjourn:** There being no other New Business, a motion was made by Director Franke to adjourn the meeting of the Wynola Water District's Fourth Fiscal Quarterly 2000-2001 Meeting at 11:29 a.m.; seconded by Director Gans. The motion passed.

Respectfully Submitted,

Joyce E. Gans,  
Office Manager