

**MINUTES OF THE ADJOURNED MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
July 31, 2001**

MEMBERS PRESENT: Directors Brain, Matthews, Pickard, Sorell, and Stock

STAFF PRESENT: Bill Redcay, Chris Burt and Shirley Burt

CALL TO ORDER: The meeting was called to order by the Chair, Mel Matthews, and he noted that all Board Members were present which constituted a quorum.

APPROVAL OF AGENDA: The Agenda was unanimously approved as presented.

KINCLAIR PROJECT

The General Manager reported that 1) Construction of the Sage and West tanks has begun and 2) Thomas Construction has been awarded the contract by Diamond Segundo to make the changes to the Fire Hydrants on Kinclair Drive.

The Board discussed Mr. Chang's offer to pay the District \$175,000. in twenty equal payments after the sale of each lot in exchange for removing the \$500,000. Escrow Account from the current contract with the District. It was M/S/C (Stock/Pickard) "That the current contract requiring the establishment of the \$500,000. Escrow Account not be changed." The General Manager was instructed to send a letter to Mr. Chang notifying him of the Board's decision.

DOYNE ROAD PROJECT

The General Manager reported that Mr. Kerger has received the comments from the County regarding the water system plans and is working with the County regarding these comments.

The Board acknowledged receipt of a letter from Mr. McReynolds directed to the Water Quality Board, Wes Lind, and the Board of Directors. Director Sorell stated that he would reply to Mr. McReynolds and provide the Board with a copy of his reply.

DELORES TUNNEL PROJECT

Chris Burt reported that the contractor has completed the work from the tunnel face down and that it was completed ahead of time. He explained that there was one change order amounting to approximately \$6,000. for the installation of the diversion meter, additional concrete needed for one pier, and a connection problem at the top of the air shaft. He stated however that there are leaks in the air shaft which were unknown until now and the contractor is replacing the pipe in the air shaft for approximately \$7,400. He also noted that even though there is water going from the Delores Tunnel to the Vosburg Reservoir on a test basis there is still water coming from the Falls which shows that there is additional water coming from somewhere up canyon which may have some effect on the Mitigation Monitoring Plan.

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Because of further questions from the Board regarding the Monitoring Plan the General Manager stated he would meet with Bill Kruse and bring back clarification of the issues discussed.

GENERAL MANAGER'S REPORT

The General Manager reviewed his report and asked if there were any questions.

Director Stock stated that he had received some feedback from the General Manager and Director Sorell on the overtime issue and would like to make some recommendations regarding the policy and procedures manual. He was directed by the Chairman to submit his suggestions to the personnel committee and then their recommendations would be submitted to the Board.

Director Stock also requested the status of goals for the General Manager. Director Sorell stated that the committee has met once and compiled four general goals. He urged all Board Members to submit any suggestions that they have to the committee as they will be meeting again soon.

REVIEW OF MINUTES

The minutes of the June 19, 2001 were reviewed. Director Brain stated that the last sentence under the title "ANNUAL WAGE REVIEW" on page two should read "That all hourly employees be given a 3% raise effective July 1, 2001." The minutes were then approved for filing with the above change noted.

REVIEW OF FINANCIAL REPORT

The financial report of June 30, 2001 was reviewed and unanimously approved for filing.

ADJOURNMENT

The meeting was adjourned at 9:30. P.M. and the next meeting was scheduled for August 28, 2001.

Respectfully submitted,

Shirley L. Burt
Secretary To The Board