

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
KINNELOA IRRIGATION DISTRICT  
OCTOBER 19, 2004**

**MEMBERS PRESENT:** Directors Barkhurst, Brain, Pickard, Sorell, and Stock.

**STAFF PRESENT:** Melvin Matthews, Christopher Burt, and Shirley Burt

**CALL TO ORDER:** The meeting was called to order at 1940 hours by the Chair, Steven Sorell. He noted that there was a quorum of the Board present. The Agenda was unanimously approved as presented.

**PUBLIC COMMENT**

No one present wished to comment at this time.

The General Manager directed the Board's attention to the copies of the two letters included in their packet that he had written on behalf of the Raymond Basin Groundwater Restoration Project and the Report from the Committee working on this Project. He explained that the Raymond Basin Management Board, of which the District is a member, is trying to obtain \$50 Million for various projects in the Raymond Basin and that a lobbyist has been hired to assist in obtaining federal funding.

**REVIEW OF HOLLY TANKS CHANGE ORDERS**

The General Manager reviewed change order #4, and noted that the original bid was for \$109,150, but with this change order the cost now stands at \$142,239. He reported that the project is essentially completed but that there is change order #5 still in the works for an approximate cost of \$4,000.

**ACQUISITION PLAN FOR SUPPLEMENTAL WATER**

The General Manager reviewed his written **Acquisition Plan To Obtain Supplemental Water**. He stated that his recommendation, after considering all options, was to continue leasing pumping rights from the San Gabriel County Water District. He stated that his recommendation included the opportunity to be able to put some water in long term storage so that in about ten years the District would have 500 Acre Feet in storage. Following discussion there was a consensus of opinion that the Board needed to consider a possible rate increase in order to have funds to purchase additional water supplies.

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**BUDGET COMMITTEE REPORT**

The Chair reported that the Ad Hoc Budget Committee had met and reviewed the budget that had been prepared by the General Manager. He noted that there were not any large increases in any of the line items except for insurance, and that the spending plan for the Capital and Planned Maintenance items was very limited. He noted that there was very little surplus remaining.

The General Manager then reviewed the items in the Master Plan that would not be done in 2005. It was also noted during the discussion that in prior year's budgets \$66,000. had been anticipated from the sale of water which did not occur and instead the District has incurred an expense of \$30,000 to purchase water this year.

The General Manager stated that he wanted to maintain \$100,000 in savings in addition to the \$250,000 and that if further funds accumulated then Capital Projects could be done.

Director Barkhurst stated that he thought the \$75,000 "net funds decrease" should be entitled as "uncommitted capital projects fund".

Director Stock requested that "drive by meter reading" be eliminated from the possible capital projects, but it was decided that since it is not funded that it be left on the list of possible projects.

It was M/S/C - ( Barkhurst/Sorell-5/0 )-"**That the 2005 Operating Budget be approved as presented and that the total 2005 budget should show a line item under capital projects called Unidentified Capital Projects of approximately \$ 75,000. leading to a total net funds change of approximately zero.**"

Following the approval of the budget, it was the consensus of the Board that there was a need to discuss a possible rate increase and asked that a notice be sent out with the next billing to notify the customers that the Board would be considering a possible rate increase of approximately \$0.10 per CCF at the next Board Meeting.

**REVIEW OF EMERGENCY NOTIFICATION PLAN**

The Board reviewed the Emergency Notification Plan that had been included in their packet and expressed their approval of the current plan.

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**STATUS OF NORTH HASTINGS HEIGHTS FENCE**

The General Manager stated that the fence on North Hastings Heights was an extensive project but was not on District property and did not interfere with the operation of the District.

**CONSIDER REQUEST TO PURCHASE LAND AT 1979 SIERRA MADRE VILLA**

The Board reviewed the letter of request and it was the consensus of the Board that a decision should be delayed until the following information was obtained--

- how much land is involved
- is the land surplus
- the value of the land
- what is involved with securing the well that is on site since the well is not used

**GENERAL MANAGER'S REPORT**

The General Manager reviewed his written report that was included in the Board Packet.

**REVIEW OF MINUTES**

The minutes of September 21, 2004 were unanimously approved as presented except for the following corrections--

- Page 4, first paragraph, line 2 -- the words "Lis Pendas" should be "Lis Pendens"
- Page 4, first paragraph, line 3 -- the word "is" should be "it"

**REVIEW OF FINANCIAL REPORT**

The financial report for the month of September 20, 2004 was reviewed and unanimously approved for filing.

**ITEMS FOR NEXT AGENDA**

Consideration of Rate Increase

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Consideration of sale of Brown Well Property  
Recommendation for purchase of leased pumping rights

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**ADJOURNMENT**

The meeting was adjourned at 2100 hours and the next meeting will be on November 16, 2004.

Respectfully submitted,

Shirley Burt  
Secretary To The Board