

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
SEPTEMBER 21, 2010**

MEMBERS PRESENT: Directors Barkhurst, Eldridge, Griffith, Kilburn, and Sorell

STAFF PRESENT: Chris Burt, Facilities Supervisor
Shirley Burt, Administrative Assistant
Melvin Matthews, General Manager

CALL TO ORDER: The Meeting was called to order by the Chair, Director Sorell, at 1930 hours. He noted that there was a quorum present. The Agenda was unanimously approved as presented.

PUBLIC COMMENT:

No members of the public wished to comment at this time.

REVIEW OF PROPOSED 2011 YEAR BUDGET

Director Barkhurst commented that the budget appears to be reasonable and covered by the twenty cent per unit increase in the commodity charge.

Director Sorell noted that the proposed budget shows \$120,000 increase in expenses over the prior year mostly in the areas of electricity, leased water rights and maintenance contractors.

It was M/S/C-(Barkhurst/Kilburn-5/0)

“That the Board approves of the proposed 2011 Year Budget as presented.

It was M/S/C-(Barkhurst/Kilburn-5-0)

“That the Board approves the increase in the commodity charge to twenty cents per unit effective January 1, 2011.”

Director Sorell questioned as to when the notice would go out to the rate payers and the **General Manager** replied that it would go out with the bills that are mailed in October.

SELECTION OF AUDITOR FOR THE 2010 YEAR

Director Barkhurst noted that Director Sorell had told the Board last year that there was no legal obligation to change auditors every certain number of years. He further noted that there is a healthy tension between Egan & Egan and the staff, which means that the Auditor is showing due diligence and he would recommend that Egan & Egan be retained for the 2010 year audit.

Director Griffith stated that he would like to see a change which is a recommendation he has made every year and thinks it is a wise thing to do.

Director Sorell noted that any change would probably have significant financial consequence.

It was M/S/C – (Barkhurst/Kilburn-4/1, Director Griffith voting no)

“That the Firm of Egan & Egan is selected as the Auditor for the 2010 Year.”

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
SEPTEMBER 21, 2010**

Page 2

REVIEW OF GENERAL MANAGER'S REPORT:

Doyme Road Project:

The General Manager reviewed the status of the project noting that there has been no further action by the Developer and that the advance payment has not been received.

Director Eldridge questioned the agreement that exists between the District and the Developer and the **General Manager** stated that he would email a copy to the board Members.

Facility Repairs:

Director Eldridge questioned the status of the repair to Pasadena Glen Road as the surface is sinking and the **General Manager** stated that when the final cap is done the surface will be brought up to level.

REVIEW OF MINUTES:

The minutes were reviewed and unanimously approved with several corrections in spelling and sentence structure.

REVIEW OF FINANCIAL REPORTS:

Director Barkhurst reviewed the Financial Reports and noted that –

- Water Sales were substantially decreased
- \$20,000 for leased water rights has not yet been spent but will be within this year
- Maintenance Contractors, vehicle maintenance, equipment maintenance, insurance, office supplies, telephone and Legal Services remain under budget

The Financial Reports were unanimously approved as presented.

Director Sorell questioned the construction method and payment of the retaining wall behind the office and the **General Manager** replied that it was a landscape block retaining wall, that it was not engineered and that the District did not pay for any portion of the wall.

ITEMS FOR NEXT AGENDA

ADJOURNMENT:

The meeting was adjourned at 2015 hours and the next meeting will be held on October 19, 2010.

Respectfully submitted,

Shirley Burt,
Secretary to the Board