

KINNELOA IRRIGATION DISTRICT
Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, February 18, 2020, 3:00 pm
Minutes

DIRECTORS PRESENT: Tim Eldridge, Frank Griffith, Gordon Johnson, Gerrie Kilburn, and Dave Moritz

DIRECTORS ABSENT: None

STAFF PRESENT: General Manager Melvin Matthews, Office Manager/Board Secretary Bernadette Allen

1. CALL TO ORDER: Director/Chair Gordon Johnson called the meeting to order at 3:00 pm. A quorum of Board Members was present. The Agenda was reviewed. No changes were requested.

2. PUBLIC COMMENT: District resident Stephen Brown was present. No public comments.

3. REVIEW OF MINUTES: For Item 6, second paragraph, Director Griffith asked if the Chair’s question about the House Tunnel project was correctly placed in the middle of the Office Driveway project discussion. The Board Secretary stated that the question was asked by the Chair at that point in the discussion and stated that paragraph formatting could have made the discussion clearer. The Chair added that he recalled asking the question because he was interested in determining which projects were going to be performed by District staff and which by contractors. It was motioned/seconded/carried unanimously-(Griffith/Kilburn-5/0/0/0):

“That the Board approves the January 21, 2020, minutes as presented for filing and posting on the website.”

(Aye-Eldridge, Griffith, Johnson, Kilburn, Moritz/Nay-0/Abstain-0/Absent-0)

4. REVIEW OF FINANCIAL REPORTS: The Director/Treasurer Moritz reviewed the January 31, 2020, financial reports. On the Income Statement, he highlighted that the water sales revenue was higher than the previous month, but wholesale water sales was lower, with an overall total revenue of \$13,000 lower in January as compared to December. He asked if wholesale water sales is negotiated or on demand? The Chair replied that it is negotiated. The General Manager added that surplus water is offered to the City of Pasadena, and the District is in control of the delivery. City of Pasadena is contacted when we want to deliver water and they confirm the amounts. The City of Pasadena cannot take an unlimited quantity.

Director Moritz stated that some expense accounts were higher than budget, such as maintenance repair, water treatment and fuel. The General Manager commented that many expenses are budgeted evenly throughout the year. Director Moritz asked if the new truck expense is shown on the statement. The General Manager replied that it is budgeted and will not show until paid. Director Griffith asked if the Credit Card Detail expense for the 99 truck was for the truck that the District was selling. The General Manager replied that money had to be spent for repairs in order to pass the smog test. It has good tires and brakes, so the plan is to keep the truck. Director Griffith asked where the sign and post was installed. The General Manager stated that it was for Long Tunnel signage in Pasadena Glen as requested by Director Eldridge. Director Griffith stated that there is a new no parking sign on the Brown Well site. He added that the homeowner does not park against the building door, but now parks right in front of the drive. The General Manager

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stated that occasionally there is a vehicle. The resident was notified of the no parking area and there have not been any problems.

It was motioned/seconded/carried unanimously-(Griffith/Eldridge-5/0/0/0):

“That the Board approves the financial reports as presented for filing.”

5. GENERAL MANAGER’S REPORT: The General Manager and the Board reviewed the report.

I.C. Website Usage and Online Payments: Director Griffith requested that this section of the report be a rolling 12-month period. The Board agreed that would be a useful change.

II.E. Advanced Meter Analytics: Testing at 12 sites resulted in 9 that work well and 3 that do not work well. The next step is consultation with Badger meter to determine if the problem with poor cell phone reception can be overcome. Director Griffith asked if it is possible for an individual person to see their own usage. The General Manager said that the customer can get near real-time usage information.

III.C.1. Future Capital Improvement Projects...: Director Kilburn asked when the installation of shelving at the Vosburg Warehouse will be completed. The General Manager stated that he already addressed the safety issues and he will ask the Sr. Facilities Operator for a status update on the project.

IV. Water Supply Summary...: Director Griffith asked if the overall water level in Raymond Basin is going down or going up. The General Manager stated that in the District’s area and K-3 well, the water level has been very stable. In other areas, there is greater variance, but on average, the level is still going down. The 30 percent voluntary reduction in pumping rights is not quite enough to stabilize or raise the level. There is still a need to reduce pumping or find replenishment water.

6. ANNUAL REPORT: The General Manager and the Board reviewed the Annual Report. The General Manager stated that the Annual Report is intended to highlight capital projects and preventative maintenance, as well as present the unaudited financial report for the year. In 2019, the emphasis was primarily on facilities maintenance, as opposed to capital improvement. He added that the goal for 2020 is to have at least one of the water main replacement and improvement projects ready for bidding and construction this summer. On the financial reports, he highlighted that water sales were down and despite the rate increase, revenue was down. The water sales revenue of 1,515,911 was very close to the budgeted \$1,500,000. For 2019, there was a positive net income.

Director Griffith asked how many more payments remain on the loan [installment purchase agreement]. The General Manager replied that he did not recall exactly, but the District has paid for about 5 years and has about 10 years to go. The District can pay it off at any time, but it is at a very affordable interest rate.

The General Manager concluded with the Water Sales graph, which shows that water sales are going down, and there has been a 23.3 percent reduction in water usage in 2019 as compared to 2013. Director Moritz asked why there is a reduction and the General Manager replied that it is due to the District’s efforts to encourage customers to reduce water usage, which was triggered by the drought and drought regulations that went into effect in 2015.

The Chair asked if the Annual Report was already posted on the website. The General Manager stated that he wanted to present it to the Board first, but as soon as the meeting was concluded, it

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could be posted to the website. The Chair suggested that the General Manager may want to send out an email to customers letting them know that the report is available.

7. OFFICE DRIVEWAY PROJECT: The General Manager stated that at the Board's request, he sought additional quotations for paving the office driveway. He sent out six requests and met with two additional company representatives. He received those quotes and they were both higher than the Mission Paving quote. One was \$35,780 and the other was \$48,900. The General Manager said that it is his plan to give the job to Mission Paving and he thanked the Board for their direction and the reassurance that the quote was reasonable. The Chair said that considering the spread of the bids, it reinforces that the District wants to get multiple bids. Director Eldridge asked if there is an actual drain at the swale in the driveway. The General Manager said that it is a Los Angeles County storm drain. Director Kilburn asked when the project would be scheduled. The General Manager stated that he did not expect any delay, and he plans to schedule it right away.

8. CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION – 54954.5(e):

Title: General Manager. At 4:00 pm, the Chair adjourned the meeting to closed session for the General Manager's performance evaluation.

9. OPEN SESSION – REPORT ON CLOSED SESSION: The Chair reconvened to open session at 5:37 pm. The Chair stated that no actions were taken. He stated that the Personnel Committee would like to meet with the General Manager at a time to be scheduled and the Board would like to schedule a Special Board meeting, hopefully within two weeks, to continue in closed session the General Manager's performance evaluation. He requested that the General Manager provide salary ranges for all District staff and the CPI [Consumer Price Index] update.

10. DIRECTOR REPORTS AND/OR COMMENTS: Director Moritz stated that his neighbor requested that he share firefighting equipment information with the Board. The information was given to the General Manager for consideration.

Director Kilburn shared that the Huntington Library has a plant exhibit and the whole entry is drought tolerant plants. They also have plant sales. If the plants are labeled, it means they have thrived. There are also classes held on Saturdays. The General Manager stated that the information would be a good newsletter item and he would also like to add links on the website.

11. CALENDAR: The next meeting will be a Special Meeting at a date and time to be determined and the Regular Meeting on March 17, 2020.

12. ADJOURNMENT: It was motioned/seconded/carried-(Eldridge/Moritz-5/0/0/0):
"That the Board adjourns the meeting."

The meeting was adjourned at 5:47 pm.

Respectfully submitted by,



Bernadette C. Allen

Office Manager/Board Secretary