

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
February 18, 2003**

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

STAFF PRESENT: William Redcay, Chris Burt and Shirley Burt

CONSULTANT PRESENT: William Kruse, ESQ.

CALL TO ORDER: The Executive Session of the Board of Directors was called to order by the Chair, Melvin Matthews, at 1904 Hours. He noted that a quorum was present and that the Agenda Items would be presented by Mr. Kruse. The Session was closed at 1930 hours.

CALL TO ORDER: The Regular Meeting of the Board was called to order at 1935 by the Chair, Melvin Matthews, and he noted that the Agenda stands as presented. He reported that the Board had met in Executive Session and that no action had been taken.

PUBLIC COMMENT

The Chair recognized Nancy McKenna who requested an update on the completion date for the Eucalyptus Reservoir Project. The General Manager stated that hopefully it would be in March.

The Chair recognized Chris Cox, Architect for the property located at 2340 Villa Heights Road, who presented a request for an easement to landscape a portion of the property at the East Tank Site. Mr. Kruse stated that he would confer with the Board, and if they were agreeable to this request, he would draft an agreement for the Board's consideration. He noted that the earliest this agreement could be acted upon by the Board would be at the next regular meeting in March.

APPOINTMENT OF AD HOC COMMITTEES

Upon the advice of Mr. Kruse, the Chair recommended that no Ad Hoc Committees would be appointed until such time that the Board deemed it necessary to appoint a committee to address a particular issue.

CAPACITY CHARGE ANNUAL REVIEW

The Capacity Charge Resolution of 1990 was reviewed by Mr. Kruse. Staff reported that \$84,000. of the original \$90,000. anticipated had been collected to date. Upon the recommendation of Mr. Kruse, the Board agreed that no changes be recommended at this time.

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GENERAL MANAGER'S REPORT

The General Manager reviewed his report, a copy of which is attached to these minutes.

The General Manager's Annual Report was reviewed and concern was expressed about the 12% water loss. The Staff noted that some of this loss occurs due to Fire Hydrant flushing, water pumped at the beginning and end of pump turn on, and meters that run slow after years of usage. The General Manager stated that he would attempt to increase the meter change out program in order to decrease the water loss due to the old meters still in service.

REVIEW OF MINUTES

The Minutes of January 21, 2003 were unanimously approved as presented.

REVIEW OF FINANCIAL REPORT

The Financial Report of January 31, 2003 was approved for filing as presented.

The 2003 budget, which now includes 1) those amounts approved at the December Board Meeting and 2) those amounts rolled forward from 2002 for approved projects that had not yet been completed, was presented for final approval. The Staff was asked to change the title at the top of column to read "Approved 2003 Budget" and bring the 2003 Budget back to the Board at the next meeting for the approval.

The Treasurer noted that the District has now made arrangements for customers to pay their water bills electronically if they wish.

ADJOURNMENT

The meeting was adjourned at 2050. The next meeting will be held on March 18, 2003.

Respectfully submitted,

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Shirley Burt
Secretary To The Board